



2023

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SUSTAINABILITY  
REPORT





# 2023 SUSTAINABILITY REPORT

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# 2023 HIGHLIGHTS

## Our People

**36.7%**  
Recordable Injury Rate below industry average



**69.5%**  
Lost Time Injury Rate below industry average



**Up to 13**  
hours of training for Aspire Bakeries employees



**60.0%**  
of bakeries received ABA Safety awards



## Our Food

**100%**  
of our bakeries are GFSI certified



**2**  
Safety Heroes awarded each month at each bakery to promote Food Safety culture



Continued to expand our Vegan certified portfolio



Kosher, Vegan, non-GMO and Halal certifications on select products in our portfolio



## Our Planet

**95.8%**  
total waste diversion from landfill at all bakeries



**14.5%**  
Carbon emissions reduction in 2023 from 2019



**10.1%**  
non-recipe water reduction from 2022 to 2023



**7**  
out of 13 bakeries achieved zero waste to landfill



## Our Sourcing

**RSPO**  
member of the Roundtable on Sustainable Palm Oil in support of reducing deforestation



**Annual Reporting**  
on cage-free eggs transition



**100%**  
of Palm Oil covered through RSPO Mass Balance or Book & Claim



**Over 50%**  
recycled content used in our corrugated packaging



## Our Communities

Health and Wellness Fairs to keep our employees and communities safe



**Nearly 1.5 Million**  
lbs of food donated



**60+**  
unique diverters and donation partners that help fight hunger in our communities



**Earth Day**  
Events hosted annually at our bakeries



# A WORD FROM OUR CEO



2023 was a fantastic year for Aspire Bakeries. Our business grew despite challenges, including inflation and supply chain issues. We remained focused on being the best baking company in the categories where we compete.

In 2023, we moved beyond post-COVID business stabilization to drive innovation throughout our organization. We streamlined production through optimization at our 13 bakeries, adopted new digital tools and technologies while ensuring cybersecurity, and introduced initiatives that improved our employee retention numbers.

Most importantly, we succeeded in keeping our people and our food safe while partnering with our customers to meet their needs. Several of our bakeries reached safety milestones during 2023. As we continue our path to zero lost time injuries, over 60% of our bakeries received the American Bakers Association Safety Recognition Award.

We reaffirmed our commitment to Aspire Operational Excellence, which aims to build a sustainable continuous improvement culture. This creates a strategic advantage for our people, our bakeries, and our customers.

Reducing our environmental impact is a priority at Aspire Bakeries. In 2023, we diverted over 95% of our waste from landfill, reduced our carbon emissions by over 14%, and employed fuel cell and battery technologies at multiple sites. Green Champions were active at all 13 of our bakeries across North America, working to reduce our energy, water, and waste footprints daily.

as·pire | \e-s'pī(-e)r  
**intransitive verb**

**1: to seek, to attain, or accomplish a particular goal**

**2: ASCEND, SOAR**

We remain committed to meeting customer expectations on Environmental, Social, Governance (ESG) reporting and we continue to disclose to major platforms such as CDP, EcoVadis, and ACOP. We're also increasing direct shipments to reduce our carbon footprint.

Throughout 2023, we partnered with community-based organizations to feed those in need and sponsor local charity events, and we donated over 1.2 million lbs. of food.

In 2024 and beyond, we'll focus on people safety, food safety and quality, reducing our carbon footprint, addressing the challenges of climate change, protecting human rights, sustainably sourcing raw materials, and being an active part of the communities where we operate.

This Sustainability Report highlights our accomplishments in 2023 and reaffirms our commitments now and into the future. Thank you to our teams who work diligently every day to live our Aspire Bakeries values and advance our sustainability efforts.

Best wishes,  
Tyson Yu







*Our sustainability vision is to be recognized internally and externally as a sustainable organization and good corporate citizen.*





# THE ADDED VALUE ASPIRE BAKERIES BRINGS TO THE TABLE





**Established leader in a \$23B market**



**Brand and category bakery portfolio**



**Multi-channel go-to-market strategy with strong, long-tenured relationships**



**Food safety, quality & reliability through supply chain excellence**



**Optimized sourcing, manufacturing, and distribution footprint**



**Commitment to sustainable, responsible business practices**



**Proven innovation**







## RISING TOGETHER™ TO A SUSTAINABLE FUTURE

At Aspire Bakeries, we are intent on being the best bakery company in the categories where we compete. Our extreme focus on frozen baked goods includes artisan breads, traditional breads and buns, cookies, muffins, and other sweet baked goods like donuts and pastries.

We are dedicated and passionate bakers and continually aspire to get even better. We are humble while confident. We will continue to grow and achieve our full potential. “Aspire Bakeries” is the right name to motivate us – the possibilities are endless! What’s even better about our name is that it came from one of our own associates.

Our tagline, Rising Together, is a simple phrase that highlights our promise to always put our customers first. To work, innovate, and grow together because our success can only be measured by theirs. We are dedicated to finding the right solutions for every unique business demand. This personalized approach allows us to deliver the best-in-class baked goods and brands our customers need to break through and win in a competitive environment.

Rising Together isn’t just who we are. It’s the path we will always take together, with our customers and our people.



# DIVERSE BAKED GOODS PORTFOLIO

Aspire Bakeries Offers Delicious Choices for Customers and Consumers

Artisan Breads ▪ Cookies ▪ Croissants ▪ Danishes ▪ Donuts ▪ Muffins





# OUR PRIMARY BRANDS



## La Brea Bakery

La Brea Bakery is an industry pioneer and the #1 artisan bread brand. We use simple, high-quality ingredients, a patient, slow process, and our original sourdough starter in every bread we bake. This creates a crispy, crunchy crust and soft interior in our retail and foodservice lines of fresh, par-baked, and Take & Bake breads and rolls. La Brea Bakery was created in 1989 by an acclaimed chef in Los Angeles and is credited with establishing the artisan bread movement in the U.S.



## Otis Spunkmeyer

For over 45 years, Otis Spunkmeyer has been a leader in sweet baked goods. We put the #1 beloved cookie and muffin brand into the hands of consumers whether they choose to dine in a restaurant or grab a snack on the run. Otis Spunkmeyer is the sweet baked brand of choice for operators and customers alike, and more innovation is on the way. A rich heritage and winning recipes are what make Otis Spunkmeyer America's favorite.



# OUR EXTENDED BRANDS

Leading Brands and Private Label Deliver on Consumer and Customer Needs

PRIMARY BRANDS

The Gold Standard and  
Leading Artisan Bread Brand

Leading Cookie and Muffin Brand

SECONDARY BRANDS

Artisan-Style Breads and Sweet Baked Goods

Best-in-Class Puff Pastry

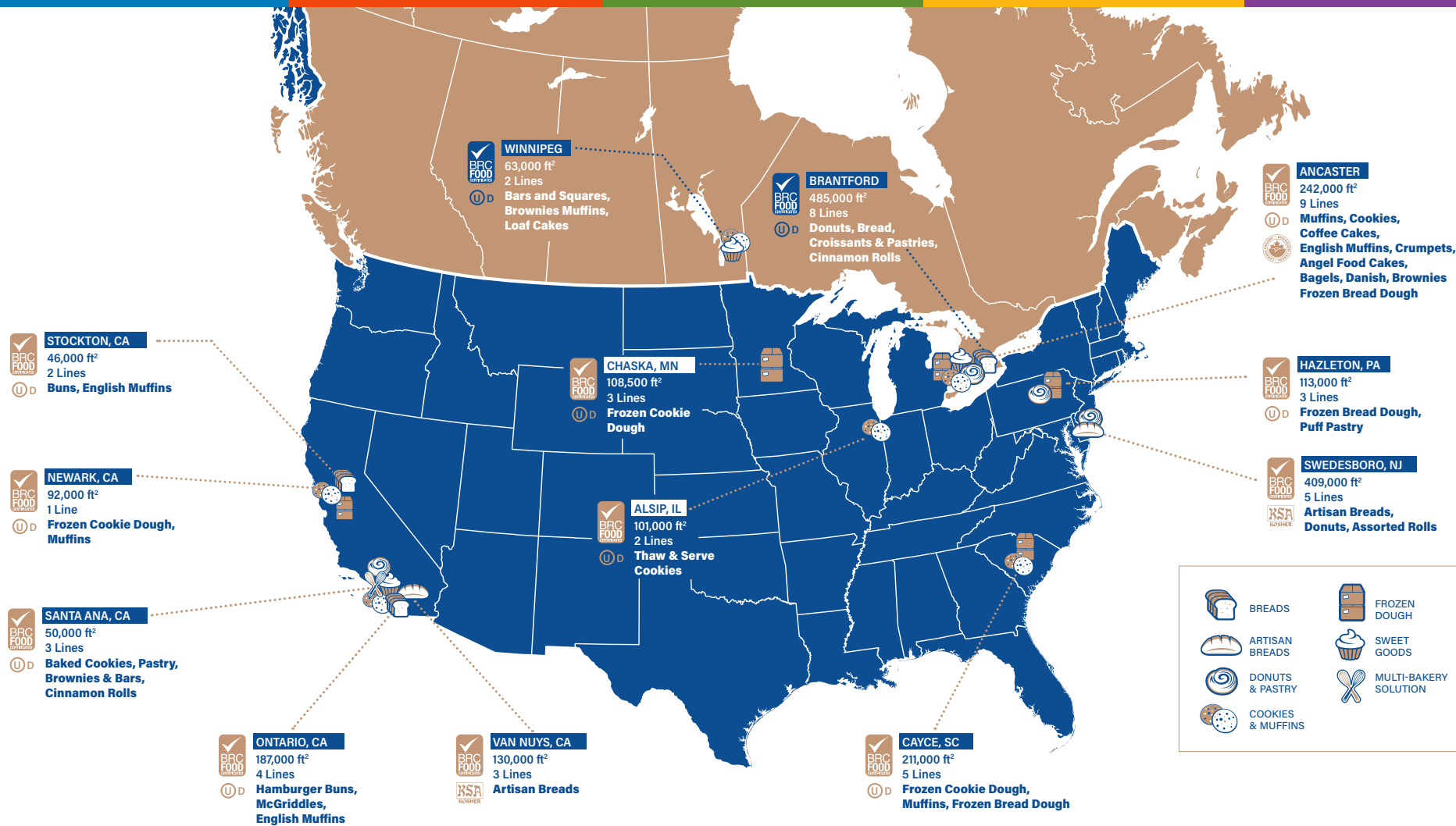
A Leader in Authentic  
English Muffins and Crumpets

UNBRANDED  
& PRIVATE LABEL





# ASPIRE BAKERIES LOCATIONS



Aspire Bakeries has 13 North American bakery locations, strategically located for coast-to-coast coverage; all are GFSI certified, Leadership certified in FSMA/SFCA, Industry-leading proprietary Food Safety & Quality Management system (AIMS), Immediate Traceability with SAP, Suppliers GFSI certified.



# OUR GREEN CHAMPION PROGRAM

## ROLE OF A GREEN CHAMPION

- ✓ Works with the CSR team to increase sustainability awareness at the bakery
- ✓ Provides monthly updates on the bakery's energy, water and waste reduction initiatives
- ✓ Provides updates to bakery leadership on sustainability Initiatives
- ✓ Works with the CSR team to schedule utility audits to identify energy reduction opportunities

## CURRENT FOCUS POINTS:

- ✓ Assists with coordinating site energy audits and prioritizing findings
- ✓ Assists with execution of LED upgrades
- ✓ Ensures the bakery has an equipment start up and shut-down checklist in place
- ✓ Works with waste consultants to maximize resource recovery from bakery waste streams
- ✓ Coordinates an Earth Day event annually

## ASPIRE BAKERIES' GREEN CHAMPIONS

The Aspire Bakeries' Green Champion program focuses on creating sustainability awareness at our bakeries. The Green Champions work with the sustainability team to identify energy, water, and waste reduction opportunities within the bakeries. Each Bakery Director appoints a Green Champion from their staff to lead these initiatives. The Green Champion position is not a separate position within the bakery. Rather, it's an additional responsibility, taken on by a team member who is passionate about sustainability.

Thank you to all our Green Champions across the 13 bakeries. Your hard work and dedication make Aspire Bakeries a more sustainable company!



Congratulations to Monique Richter (HR Coordinator), and Mark Rooney (Bakery Director) on completing the Green Champion checklist at the Brantford Bakery!





# DEVELOPING OUR STRATEGY

## As we developed our CSR/Sustainability Strategy, we gathered inputs from several sources:

- Internal stakeholders, including senior leadership
- Customer expectations
- Expectations/needs of our brands
- Employee expectations of our organization






## Internationally recognized platforms for setting goals and strategies:

- Carbon Disclosure Project (CDP)
- Ecovadis platform
- Sustainability Accounting Standards Board (SASB)
- Global Reporting Initiative (GRI)
- U.N. Sustainable Development Goals

## United Nations SUSTAINABLE DEVELOPMENT GOALS



## From these sources we created the five focus areas below:

1	Our People	
2	Our Food	
3	Our Planet	
4	Our Sourcing	
5	Our Communities	





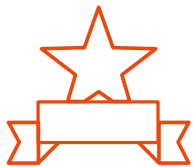
# OUR PEOPLE



# OUR PEOPLE

## Valuing Employee Success

We aspire to create a place where people feel they belong, and provide access to a comprehensive suite of tools, resources, and benefits that effectively attract, develop and retain a talented, caring, and growth-minded workforce.



**3,920 Employees**



**1,915 Employees with 5+ Years of Service**



**291 Employees Promoted**





# INCLUSION

## Building a Sense of Belonging

At Aspire Bakeries, we are committed to creating a workplace culture that values, respects and represents the unique perspectives, experiences and backgrounds of our customers and communities. A diverse workforce leads to better decision-making, innovation and outcomes, which are essential to our success.



### Our diverse workforce:

**44%** Female

**83%** of our U.S. associates self-identify as a member of an underrepresented group

## OUR APPROACH

Our approach to Diversity, Equity, Inclusion and Belonging is grounded in four strategic goals:

1. Have a workforce broadly reflective of our communities
2. Identify and address barriers within organizational systems and processes
3. Attract and retain a talented workforce skilled in working in an inclusive and respectful manner with one another
4. Create processes, policies, practices, programs, and services that meet the diverse needs of employees



# LEARNING

## Supporting Career Growth

Developing people's skills to succeed at their jobs is essential to our workplace culture and business strategy. Team members have access to a variety of skills training and capability-building programs.

Aspire Bakeries is a great place to grow a career. People managers discuss opportunities and provide hands-on learning for associates to grow into new or larger roles.



### New Hire Onboarding Program

A structured 30-day program that integrates new hires into our culture and their jobs with high support and care.

### Bakery Supervisor Development Program

This 10-module program builds the essential leadership skills Supervisors need to succeed as people managers.

NEW

### Job Skills Training Framework

We're undergoing a multi-year project to optimize our standard operating procedures (SOPs), and to standardize training and skills development progression of all jobs in our bakeries.





# OUR CULTURE

## Setting our Ways of Working

### Code of Conduct

All associates adhere to an Aspire Bakeries Code of Conduct, which covers important workplace standards that uphold laws and regulations, create an ethical and harassment-free workplace, promote a healthy and safe work environment, maintain food safety and quality, prohibit the use of prison labor, slavery and human trafficking, protect the environment and promote sustainability, and adhere to policies regarding anti-corruption and bribery.



## Aspire Bakeries Core Values



### INTEGRITY

We develop trust with our people and our customers by being honest and respectful in everything we do. We hold ourselves and each other accountable in supporting the company values.



### OWNERSHIP

We empower our colleagues to take ownership in their work while being part of a strong team and collaborating for success. We encourage every employee to set challenging goals that achieve results and elevate the company.



### CUSTOMER FOCUS

We build customer and consumer confidence by proactively identifying their needs and providing them with solutions.



### CREATIVITY

We generate new ideas by challenging the status quo, taking calculated risks and solving problems in innovative ways.



### CARE

We are an organization that cares about our people, our food and our community. We create and support a safe work environment that allows individuals to develop and give back to our communities.



# BENEFITS

## Taking Care of our People

Aspire Bakeries invests in an industry-competitive and comprehensive compensation and benefits package for associates and their families.

To further extend our Care Value, we understand that life can present challenges that impact associate health and well-being; therefore, we offer a company-paid Employee Assistance Program that provides additional resources and support to our associates and their families during difficult times, and challenging changes or life events where extra help and support is of great value.



Medical



Dental



Health Savings Account



Vision



Employee Assistance Program



Paid Time Off (PTO)



Tuition Reimbursement



Disability



Enhanced Benefits



Life and AD&D



Flexible Spending Account



Commuter Benefits



Paid Leave



Retirement Plans





# EMPLOYEE HEALTH & WELL-BEING

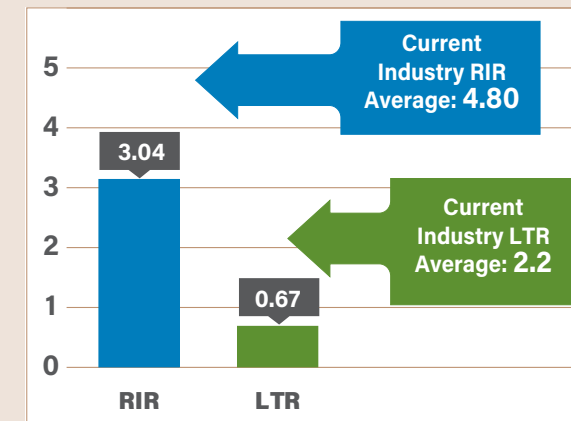
In alignment with our core values of Ownership and Care, we pursue comprehensive internal safety management procedures. These include policy manuals, training, verification of regulatory compliance, risk assessments, individual site action plans, safety audits, formal accident investigations and the provision of occupational health services.

We also maintain a strong focus on the use of leading indicators such as training completion rates and safety calendar completion percentages. The metrics we use are industry measures for employee injuries, lost time injuries, and number of days lost from injuries.

The health and safety of our people is of paramount importance to Aspire Bakeries.



## Aspire Bakeries 2023 Results



Though we have seen great results in this area, we strongly believe that even one accident is one too many. In 2023, Aspire Bakeries' Recordable Injury Rate of 3.04 was 37% below the industry average. Aspire Bakeries' 2023 Lost Time Injury Rate of 0.67 was 70% below the industry average.



# EMPLOYEE HEALTH & WELL-BEING

## Safety Investments

Investing in the safety of our people is a priority for us. We regularly invest in safety measures in our bakeries, including permanent engineering improvements like machine guarding and right-sizing equipment for ease of use, personal protective equipment, and other process and equipment improvements.

## Training

Providing proper training and education on safe working conditions is one way that we prevent injuries. We utilize the Alchemy training platform as our company-wide training standard and mandate the completion of courses by all employees. We also require ongoing coursework to ensure that all Aspire Bakeries' employees know how to prevent accidents and maintain a safe working environment. Our employees communicate near misses and unsafe actions, and if necessary, respond to safety-related incidents in the

bakery. Depending on their role, our employees are required to complete up to 13 hours of safety training each year. The training addresses formal safety, food safety, and HR training topics. Additional safety measures include safety topic of the day reviews and pre-shift stretching.

## Safety Calendars

We have environmental and safety calendars in place at all bakeries which effectively structure reporting, update events and relay other safety and compliance-related requirements. These are updated every month, and any discrepancies are quickly addressed. This ensures completion of safety-related tasks and promotes better visibility into pending items such as trainings, audits, and regulatory reporting throughout the year. There are approximately 650 tasks per bakery per year that must be completed to stay in compliance with local and federal standards as well as Aspire Bakeries' policies and best practices.

## Safety Performance Accountability

In accordance with our value of ownership, we have integrated people safety key performance indicators (KPIs) into managers' performance objectives. The safety of our people is our top priority. We instill that it is everyone's job to keep themselves, and those around them safe - day in and day out. Tying safety metrics to personal success objectives is just another way of ensuring we have a true safety culture within the company.





# EMPLOYEE HEALTH & WELL-BEING

## Health & Wellness Fairs

To promote the well-being of employees - both in and out of the workplace - we held health and wellness fairs at our bakeries. These fairs were a fun way for our employees to promote safety and obtain valuable information. Not confined to only workplace health and safety, these fairs also focused on health and safety at home; this included tips and information on healthier eating habits, exercise, smoking cessation, and many other important topics.

## Safety Programs

Corporate and bakery-specific safety programs for every area (Lock Out Tag Out, Powered Industrial Trucks, etc.), ensure safe procedures are in place and followed to reduce and eliminate risk.

## Excellent Results in Safety

In 2023, six out of 10 U.S. locations received the American Bakery Association Safety Recognition Program Award.

This award is given to sites who have a total case incident rate, days away, restricted or transfer incident rates below industry average as determined by the Bureau of Labor Statistics. This safety recognition program has increased workplace safety awareness and emphasizes the importance of employee safety in the baking and allied industries.

## Safety Communication

Communication is the strongest tool we have to prevent injuries and build and maintain a safety culture in all bakeries. Keeping safety issues top-of-mind with our employees has paid off in our safety results, and has been formalized in several ways.



## On-site Wellness Specialist Program at seven of 10 US Bakeries

- Works with employees at the beginning stages of injuries to prevent further injury and minor injuries. Also works with employees on wellness, weight loss, etc.
- Treatment also offered for minor personal injuries.
- 269 employees used the wellness program in 2023.
- This reduced the potential for many more workers' compensation claims for minor workplace incidents, personal injuries leading to work-related incidents and better overall wellness of our team members.



# EMPLOYEE HEALTH & WELL-BEING

## Safety Highlights

At Aspire Bakeries, the safety of our employees is of the utmost importance. Promoting safety measures and recognizing the results is at the core of our operations. We are extremely proud that in October, our Alsip bakery celebrated two years without a lost time accident! In addition, Chaska reached over two years without a lost time injury, Hazleton went over 600 days without a lost time injury, and Newark reached one year without a lost time injury. All amazing achievements, congratulations to the teams!



Safety celebration at our Alsip bakery.



**Safety First!**

# Safety Luncheon

*Habra Almuerzo Celebrando Nuestra Seguridad*

**Wednesday  
October 18th  
10/18/23**

**During your lunchbreak  
Durante tu hora de almuerzo**

**Celebrating over 2 years without a lost time accident  
Celebrando más de 2 años sin accidentes con tiempo perdido**



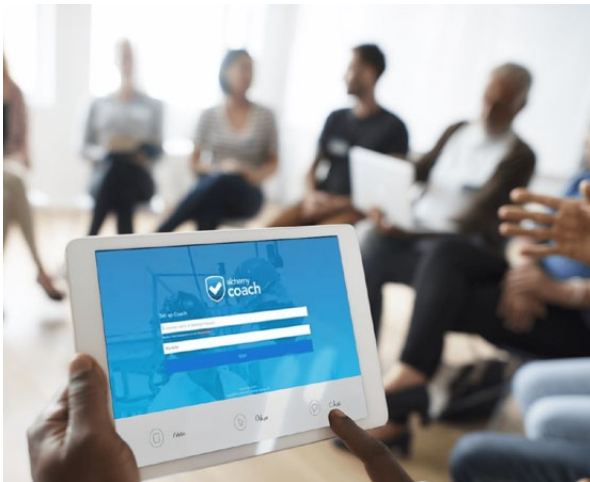
Alsip luncheon celebrating 2 years without lost time injury.



# EMPLOYEE HEALTH & WELL-BEING

## Daily Safety Topics:

Each day, a one-to-two-minute topic is emphasized at the start of the shift meeting or during team huddles. Examples of safety topics include lock-out tag-out procedures, proper personal protective equipment usage, preventing slips, trips and falls, first aid procedures, and many more. We tie these safety topics into our core values to further emphasize their importance.



## Accident Briefs & Best Practices:

When an accident occurs at a facility with an injury or near miss, a write-up is put together by the bakery and distributed by our Environmental Health & Safety (EH&S) personnel throughout the company. This allows a venue for sharing best practices and unsafe practices, equipment issues, and the corrective actions to ensure that accidents do not happen again.

Observation-based coaching and the use of Alchemy as our learning platform have allowed for a more user-friendly training process. In addition to kiosk and group training platforms, our supervisors, managers and trainers utilize Alchemy Coach. Alchemy Coach is a mobile application that helps our bakeries verify that safe behaviors are practiced, that there is adherence to Standard Operating Procedures, and that we capture any retraining needs. It's an easy way for us to coach for improvement as well as when employees are doing things right.



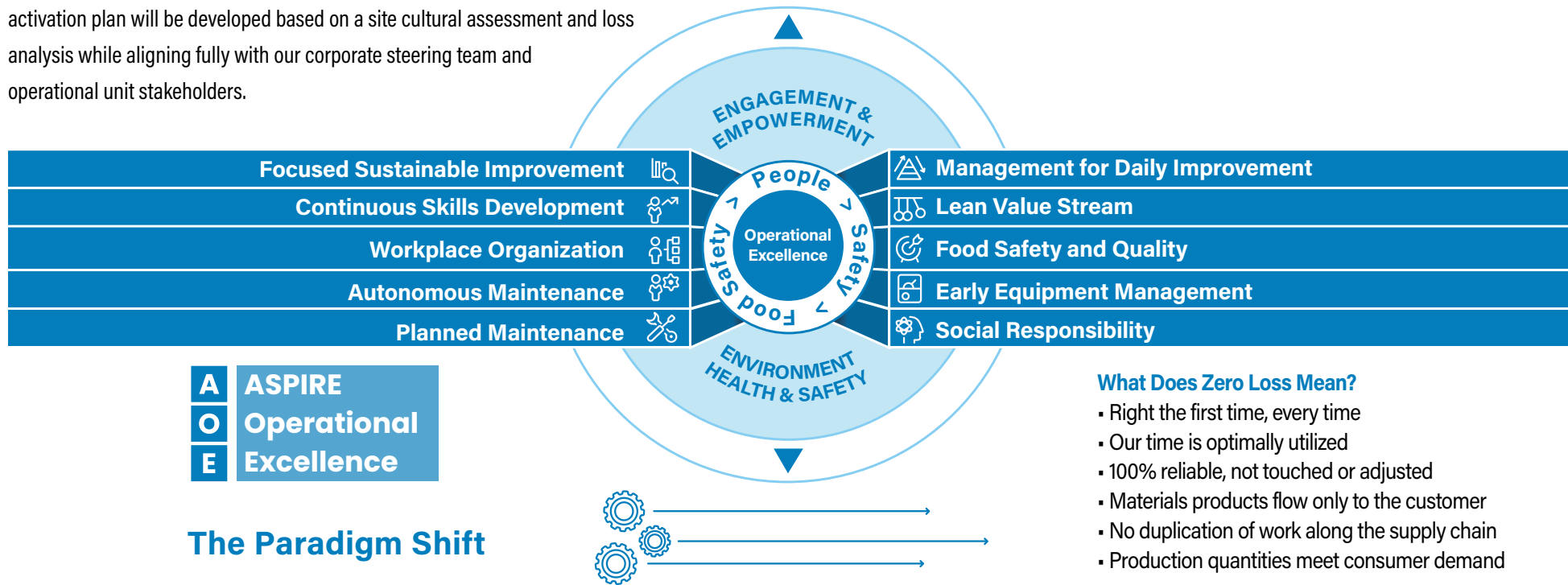
intertek  
alchemy



# ASPIRE OPERATIONAL EXCELLENCE

## ASPIRE Operational Excellence (AOE) Means Thinking Differently

Aspire Operational Excellence (AOE) is a corporate-wide initiative offering a customer-focused continuous improvement approach that is based on “Lean Thinking – the Aspire Bakeries Way”. It provides a set of common practices that allow us to evolve towards a Lean Enterprise. It develops new behaviors, thinking and skills that create value for our employees, consumers, customers, and all stakeholders. The 11 pillars represent the competences required to optimize the value stream and improve performance, targeting a “zero-loss” mentality, working as 1 team (We Before Me), and leading to full Engagement and Empowerment of our employees. These pillars also provide standardized methods and tools to be introduced in a step-by-step approach. Each bakery’s pillar activation plan will be developed based on a site cultural assessment and loss analysis while aligning fully with our corporate steering team and operational unit stakeholders.



MEASURING AGAINST ZERO LOSS IS THE ONLY WAY TO EVALUATE **TRUE PERFORMANCE**







# OUR FOOD



# FOCUS ON GREAT FOOD

## Food Safety:

“Our most important ingredient is our skilled and passionate bakery team. In developing and reviewing our food safety program we always need to be open to feedback from our team members at all levels of the business and continue to fully engage our teammates in any changes to our food safety culture,” said Des Flahive, Vice President, Food Safety and Quality Assurance for Aspire Bakeries.

As leaders in our industry, our teams work diligently to ensure high-quality, safe food. We aspire to be a proactive leader in expanding best-in-class food safety and quality practices. “We share those throughout the business using our Food Safety communications and regular bakery town halls and shift huddles,” Mr. Flahive said.



All our bakeries are Global Food Safety Initiative (GFSI) certified: each bakery completes an annual audit against the BRC standard. The audit evaluates our compliance and implementation of each requirement of the globally-recognized food safety and quality standard. Our bakeries each ensure compliance through the full implementation of our Aspire Integrated Management System (AIMS), policies and procedures.

Our food safety culture is promoted through continuous engagement and education of our associates on the importance of following established food safety and quality protocols and taking action when something doesn't seem right.

We use our food safety ambassador SIFIRI (See It Fix It Report It) to inform our teams and build our food safety culture. Our associates make a personal food safety pledge, which is posted in each bakery.

## What systems are in place to promote the Food Safety culture at Aspire Bakeries?

We recognize team members' food safety contributions using our Food Safety Hero Awards. Each bakery identifies at least two heroes a month and their impact is celebrated and then posted on our Food Safety Hero Wall.



# FOCUS ON GREAT FOOD



## Global Food Safety Certification (GFSI):

All of Aspire's bakeries are audited annually by independent third-party auditors and certification is awarded under one of the GFSI schemes, BRC. In addition, all bakery directors and FSQA Managers are trained and certified as a Preventive Control Qualified Individual (PCQI) ensuring food safety regulatory compliance. To further strengthen our food safety programs, we require ingredient suppliers, packaging suppliers and third-party warehouses to achieve GFSI certification with annual independent, third-party audits. This is in addition to our internal vendor assurance audit program.

## Quality and Sensory:

We continue to enhance our quality program with flavor and texture training in all bakeries. We implemented testing to certify sensory acuity of key tasters and assure the highest quality foods. In addition, we are expanding visual aid guides to monitor the critical quality attributes during processing, baking and packaging.





# FOCUS ON GREAT FOOD

## Highlights:



- Food safety and quality culture developed around our Aspire Integrated Management System (AIMS)
- Developed innovative menu ideas targeted to customer strategies
- Expanded our plant-based and vegan-certified portfolio
- Exploring regenerative practices for farm-to-market potential
- Kosher certification through certain certifying bodies for selected products
- Halal certification of select Aspire Bakeries branded foods through IFANCA



# FOCUS ON GREAT FOOD

## Governing Body



Non-GMO means a product was produced without genetic engineering and its ingredients are not derived from genetically modified organisms. **From our portfolio, this includes all La Brea Bakery breads, except cheese breads.**



Certified vegan logo refers to products that do not contain animal products or byproducts and that have not been tested on animals. **From our portfolio, this includes all La Brea Bakery breads, except for cheese and honey breads.**



A kosher certification agency is an organization or certifying authority that grants a hechsher to ingredients, packaged foods, beverages, and certain materials, as well as food-service providers and facilities in which kosher food is prepared or served. **From our portfolio, this includes all La Brea Bakery breads (certification through KSA), except cheese breads.**





# OUR PLANET





# PROTECTING OUR PLANET

Aspire Bakeries complies with all regulatory and industry environmental standards. We acknowledge that the Earth's ecosystems are fragile and vulnerable, and that protecting the environment is critical to the well-being of the planet and its citizens. We understand the need to minimize our use of natural resources in our operations and logistics and we are constantly working towards reducing our energy and water use, minimizing our carbon footprint, and diverting as much waste as possible from landfill.



## 2023 ACHIEVEMENTS

- CO<sub>2</sub>e reduction of 14.5%, 14,096 metric tonnes reduced in FY2023 vs FY2019 baseline (equivalent to taking 3,245 passenger cars off the road).
- Non-recipe water consumption reduced by 10.1% compared to 2022 resulting in 17.6 million gallons of avoided water consumption. This is equivalent to filling 865 average in-ground swimming pools.
- Energy intensity from gas and electricity was reduced by 2.1% compared to 2022 resulting in 7.9 million of avoided kWh consumption. This is equivalent to powering 734 homes in a year.
- Set waste reduction goals and implemented waste diversion projects. Achieved 95.8% waste diversion from landfill across our 13 bakeries.

- We have upgraded 11 of our 13 bakeries to LED lighting!
- Completed energy audits at our 6 largest bakeries.



# CARBON FOOTPRINT REDUCTION

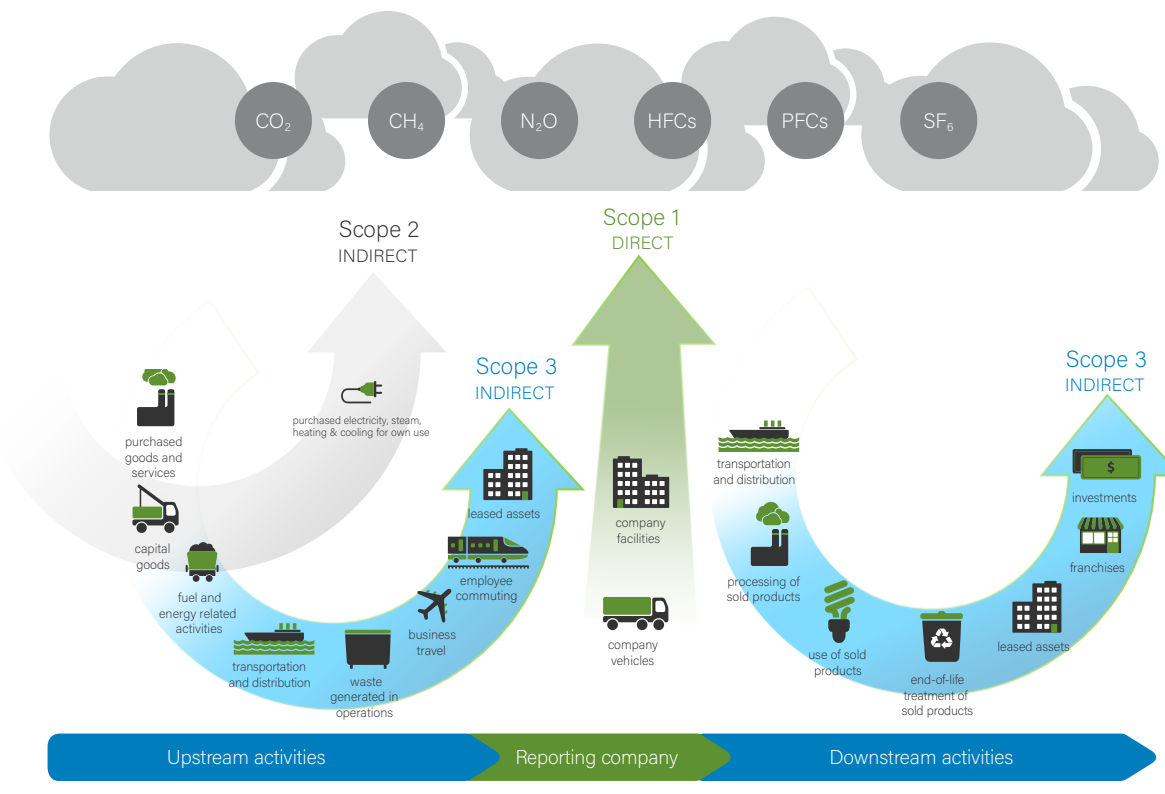
According to the Intergovernmental Panel on Climate Change (IPCC): “Human activities are estimated to have caused approximately 1.0°C of global warming above pre- industrial levels.” The largest contributor to this effect is carbon dioxide (CO<sub>2</sub>).

We have reported to the Carbon Disclosure Project (CDP) using the GHG protocol guidelines every year since 2015. In addition to climate, we also report to CDP on our forest (palm oil & packaging) and water metrics.

At Aspire Bakeries, we understand our responsibility to measure and reduce our carbon footprint. We worked with an outside consultant to calculate our organization’s carbon footprint and validate our data. This process led to the development of our 2030 Science Based Targets which are aligned to limit global warming to 1.5° C.

Greenhouse gases (GHGs) are gases that trap heat within the atmosphere and contribute to the greenhouse effect. This effect does not allow heat that has reached the surface of our planet to return to space, thereby resulting in a warmer planet.

Figure [1.1] Overview of GHG Protocol scopes and emissions across the value chain



# SCOPE 1 AND 2 EMISSIONS

Our bakery operations generate CO<sub>2</sub> emissions defined as Scope 1 and Scope 2. Scope 1 emissions are direct emissions from company-owned and controlled resources. Scope 2 emissions are indirect emissions resulting from our operations, generally from electricity purchased through a utility provider.

## In our Bakeries, Scope 1 and 2 Emissions are Created Through:

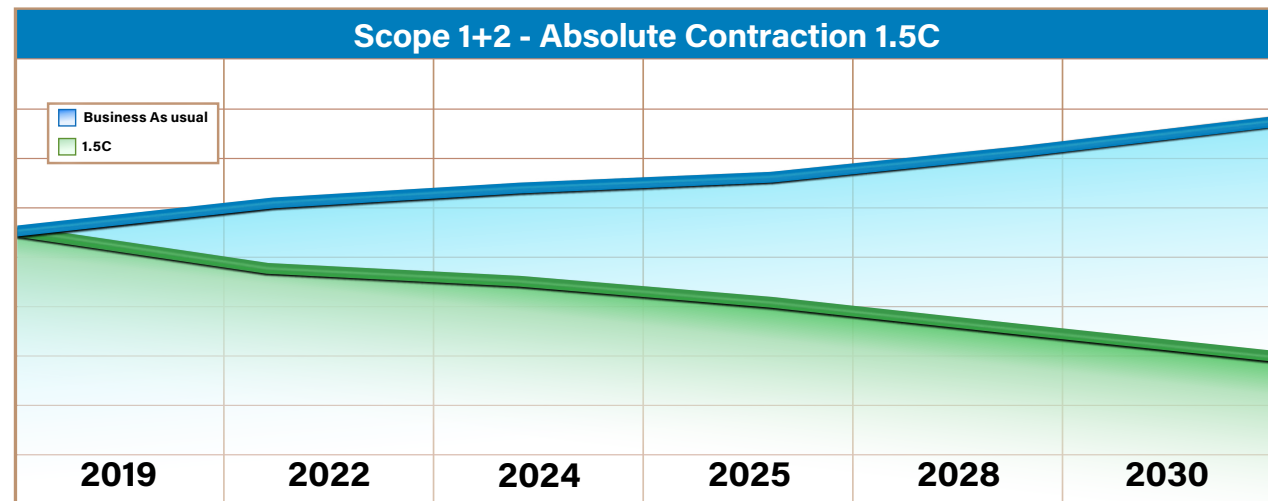
- Use of natural gas for ovens, heating and boiling
- Use of electricity for operating equipment (mixers, conveyors, air compressors, freezers, etc), building lighting and refrigeration
- Release of refrigerants into the atmosphere

**OUR GOAL** Aspire Bakeries commits to reducing scope 1 and 2 emissions 46% by 2030 compared to our 2019 baseline.

## Initiatives to Achieve Scope 1 and 2 Carbon Reduction Targets

These are examples of reduction initiatives we are exploring:

- Energy Efficiency Opportunities
- Purchasing Renewable Energy through our Utilities
- Power Purchase Agreement (PPA and virtual PPA Opportunities)
- Onsite Renewable Energy Opportunities
- Renewable Energy Credits (RECs)
- Carbon Offsets

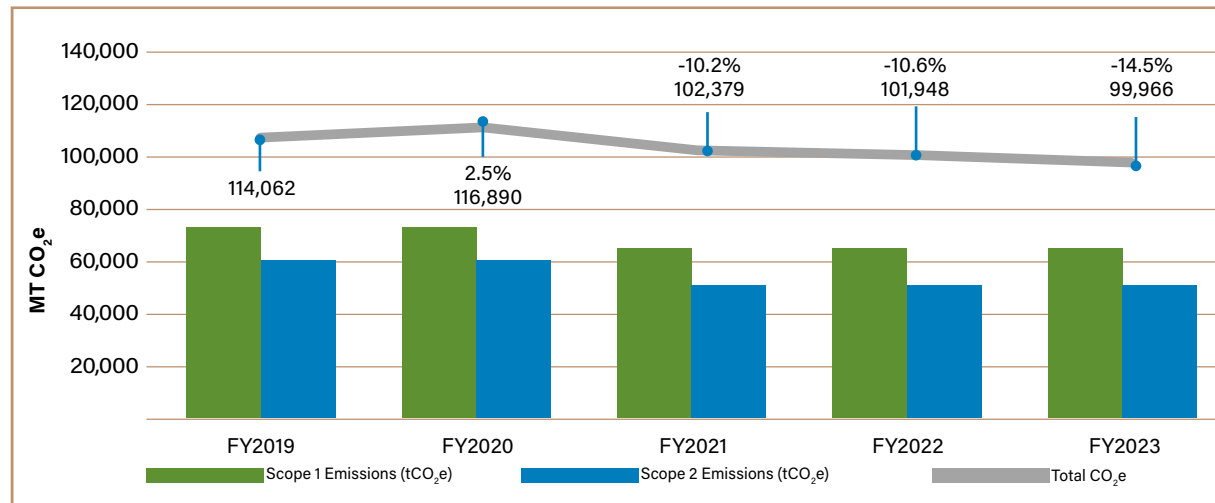




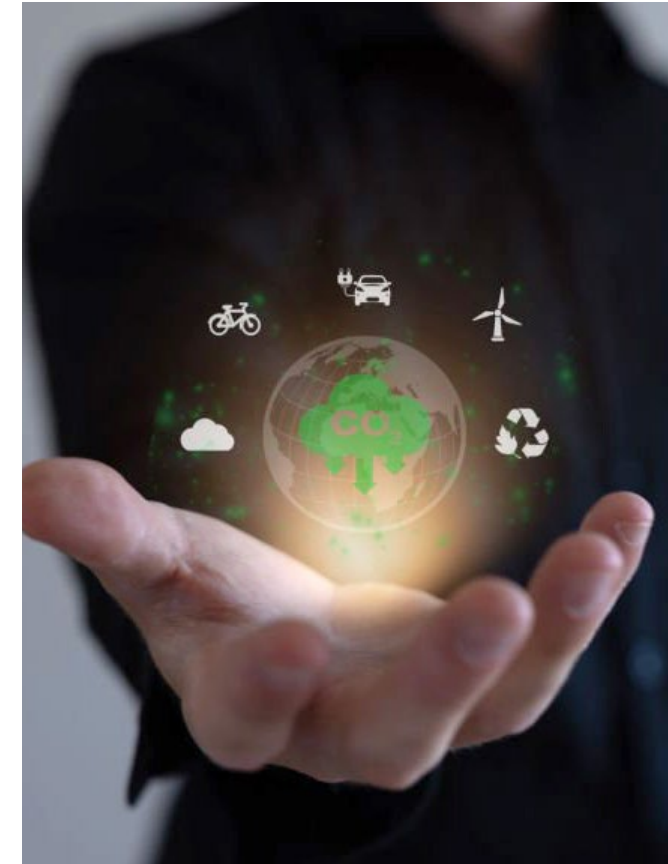
# SCOPE 1 AND 2 CARBON EMISSIONS

## Aspire Bakeries Scope 1 and 2 Carbon Emissions Results to Date

### Historical CO<sub>2</sub>e Emissions



Fiscal Year	Scope 1 Emissions (tCO <sub>2</sub> e)	Scope 2 Emissions (tCO <sub>2</sub> e)	Total CO <sub>2</sub> e	% Change vs FY19 Baseline
FY2019	64,198	49,864	114,062	-
FY2020	63,830	53,060	116,890	2.5%
FY2021	59,167	43,212	102,379	-10.2%
FY2022	58,816	43,132	101,948	-10.6%
FY2023	58,647	41,319	99,966	-14.5%
			(14,096)	



# SCOPE 3 CARBON EMISSIONS

## Aspire Bakeries Scope 3 Carbon Emissions Results to Date

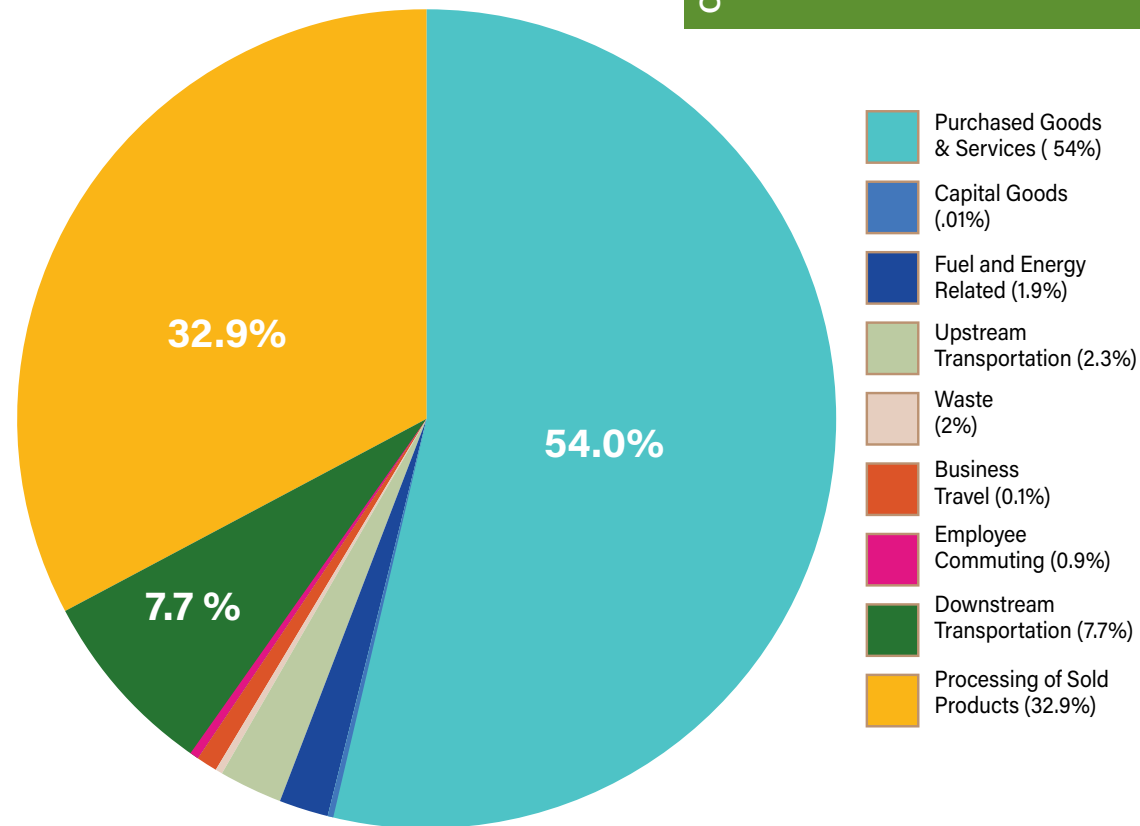
Scope 3 emissions are all indirect emissions not included in scope 2 that typically occur in the value chain of the reporting company. These emissions include:

- Purchased Goods & Services
- Capital Goods
- Upstream & Downstream Transportation
- Waste Disposal
- Business Travel
- Employee Commuting
- Processing of Sold Products

In 2019, Aspire Bakeries worked with a third-party consultant company to evaluate the scope 3 emissions for each of these respective categories.

**We will engage with our raw materials and packaging suppliers as well as logistics providers to understand their carbon reduction strategies.**

**OUR GOAL** Aspire Bakeries commits to engage its key suppliers to reduce scope 3 emissions.



# UTILIZING ESG SOFTWARE

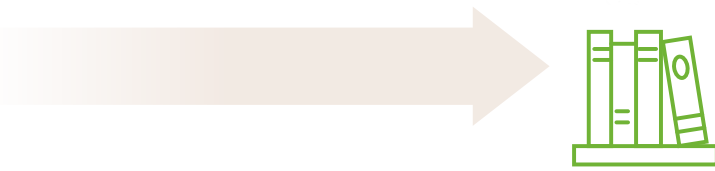
## Aspire Bakeries Partners with Scope 5

Back in 2022, Aspire Bakeries partnered with Scope 5 to improve ESG reporting and carbon accounting. Integrating Scope 5's software solution has improved our sustainability reporting through:



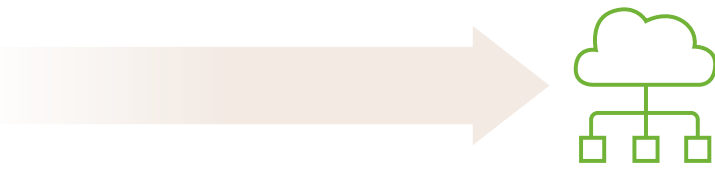
### Automatic Data Transfer

This function has allowed Scope 5 to tie directly into our utility portals and transfer consumption automatically into the Scope 5 database on the cloud; this made ESG data collection smoother for the Aspire Bakeries team.



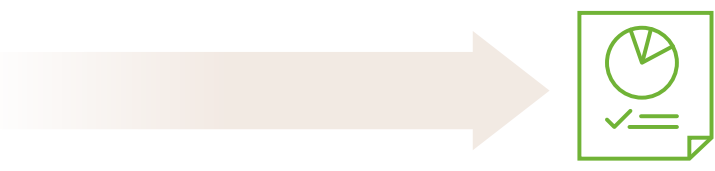
### Complete Emissions Libraries

Scope 5's software gives us access to comprehensive updated libraries of emission factors from multiple reputable authorities such as the GHG protocol, the EPA, the IPCC, etc.



### Dual Reporting

This function has allowed us to calculate both location-based and market-based scope 2 emissions to align with ESG reporting structures.





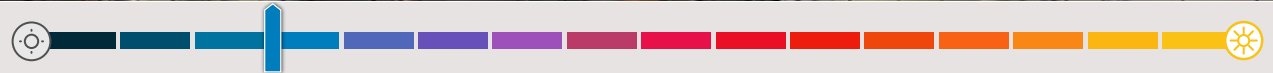
# BAKERY ENERGY PROJECTS

In 2023, Aspire Bakeries completed two lighting replacement projects. We converted fluorescent and metal halide lighting to LEDs at our Chaska and Ontario bakeries. The LED lighting projects were a win for both safety and sustainability!

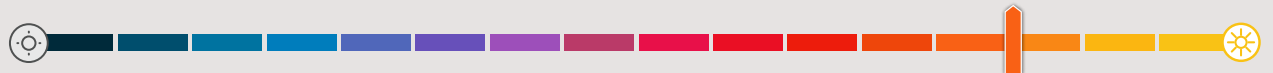
## LED Lighting

Combined, the Chaska and Ontario LED lighting projects will reduce our annual electricity usage by 963,000 kiloWatt-hours/year. These projects will also reduce our annual carbon emissions by 712,000 lbs of CO<sub>2</sub> each year. This is the equivalent to taking 70 cars off the road!

In 2023, we also completed energy audits at our 6 largest bakeries. These energy audits have identified opportunities ranging from insulation to compressed air to water treatment. We are currently executing refrigeration controls and insulation in 2024 and have more in the pipeline!



A picture of our Chaska bakery prior to the upgrade to LED lighting.



A picture of our Chaska bakery after the upgrade to LED lighting.



# WASTE FOCUS AT ASPIRE BAKERIES

At Aspire Bakeries, there is an ongoing focus to divert waste from landfills. We partner with two waste consultants, Northstar Recycling and RPM Environmental. These companies assist with waste contracts and identifying continuous improvement opportunities, such as increasing recycling and reducing costs.

With both Northstar and RPM, Aspire Bakeries benefits from services such as recycling of wood pallets, metal, and plastic; silo and railcar cleanouts; packaging or obsolete material cleanouts; and hazardous waste handling. During 2023, Aspire Bakeries implemented an organic waste project at our Winnipeg bakery. This project is currently in a trial phase but has already diverted 136,799 lbs of food away from landfill and recycled it for animal feed.



# 95.8%

Working with our consultants and the bakery teams, we have increased our total waste diversion from landfill to 95.8% and seven of our bakeries have achieved zero waste to landfill!





# OUR SOURCING





# SUSTAINABLE RAW MATERIALS

Partnering with the best suppliers in the industry drives continuous improvement in our procurement practices. Quality, value, and sustainability of our raw materials is our ongoing focus. Working closely with our suppliers keeps us focused on excellence in our supply chain and ensures that we are partnering with companies that share our values and vision.

Our values of Integrity, Customer Focus and Care are the basis of this approach to sustainable procurement of raw materials and our scorecard for supplier performance includes expectations of sustainable practices and metrics to track progress.

We believe in developing long-term sustainable sources and assured supply of raw materials, making sure we address the social, ethical, economic, safety, quality, and environmental aspects as part of our sourcing strategies. Each year we assess the risks in our supply chains and work with our suppliers to reduce those risks; we agree on which raw materials we will focus on going forward and work together on sustainable solutions.



# PALM OIL & EGG SOURCING

## Eggs

Aspire Bakeries' animal welfare policy includes expectations related to the care and treatment of laying hens. Since 2013, we have only sourced UEP (United Egg Producers) certified eggs for all pasteurized liquid eggs used in our bakeries. UEP requirements address bird cage size, use of antibiotics, beak trimming procedures, and other animal welfare concerns, as well as required third-party audits of farming practices.



Since 2010, we have purchased over one million cage-free eggs each year for our Otis Spunkmeyer branded food. Aspire Bakeries reports annually on its cage-free eggs transition progress. As of January 1, 2024, we are at 26% cage-free eggs in the U.S. and 21% cage-free eggs in Canada.



Our sustainable sourcing focuses on palm oil and eggs.





# SOURCING SUSTAINABILITY

## Palm Oil

As a member of the Roundtable on Sustainable Palm Oil (RSPO), Aspire Bakeries supports the growing and processing of sustainable palm oil.

In 2013, Aspire Bakeries committed to purchasing and redeeming Book & Claim certificates for all palm oil sourced in North America. This commitment by Aspire Bakeries actively promotes improved farming practices, environmental impact reduction and increased farm yields.

Beginning in 2015, we implemented utilization of Mass Balance palm oil in support of customers who have made their own commitments to palm oil sustainability. Mass Balance provides an additional level of traceability for sourcing sustainable palm oil. All 13 of our US and Canadian bakeries are Mass Balance certified.



## Vendor Code Of Conduct

Aspire Bakeries has a formal vendor code of conduct in place. We ask our Tier 1 raw material and packaging suppliers, temporary employee agencies, and any on-site service providers or vendors to sign our Vendor Code of Conduct.

Our code of conduct sets vendor behavior expectations around important areas such as: business ethics, adherence to labor laws, environmental practices, people health and safety and other areas relating to our suppliers' facilities. We expect our suppliers to comply with our VCOC.





# SOURCING SUSTAINABILITY

## Supplier Diversity

Aspire Bakeries is committed to increasing our base of diverse suppliers, including minority, women, veteran and LGBTQIA+ owned enterprises.

Developed by our procurement team, our supplier diversity strategy includes long-term goals to partner with diversity-focused NGOs, ensuring access to our spend categories.

We will continue with our focus on raw material sustainability through collaboration with our procurement category leads. In addition to our existing work on palm oil and cage-free eggs, we will review strategies around cocoa and packaging sustainability in partnership with our suppliers.





# OUR COMMUNITY



# ENHANCING OUR COMMUNITIES

## Donating our Otis Muffins to the Apple Farms Healthy HeARTS Festival

- Over 500 attendees on Saturday, November 4th.
- Over 60 vendors, including health care representatives giving out vaccinations and doing wellness/blood pressure checks.
- 75 walkers and runners for the 5K/1-mile walk.
- Hours of live music from three South Jersey bands.
- Free arts & craft activities and wellness workshops.



Pictured from left: Harvest Hope truck driver, Chad, and Damien George, first shift warehouse supervisor for the Cayce bakery.

## Harvest Hope

The Cayce bakery donated Otis Spunkmeyer muffins to Harvest Hope, a local food bank, to help feed those in need.

## Aspire Bakeries Shines a Light on Women!

In honor of International Women's Day, Aspire Bakeries came together to celebrate the incredible women who make our company great!

The day was filled with positive energy as everyone donned purple, the color of women's empowerment. We shared stories about our journeys at Aspire Bakeries, drawing inspiration from each other's experiences. We even distributed motivational wristbands as a daily reminder of the amazing things women can achieve!

It was a truly wonderful day that highlighted the importance of women in our workplace.



At our Swedesboro bakery, from left to right: Madeline Rivers (Training Coordinator), Andrea Pacheco (Material Planning Coordinator), Yanery Vasquez (HR Generalist), Alexia Asllanaj (HR Manager), Sophia Perez (Production Supervisor), Marie Hernandez (Sanitation Manager), Pamela Weinrick (Warehouse Manager), Lucila Hernandez Guillen (Material Planning, Scheduling Manager) and Shakai Busch (Sr. EHSS Manager).





# ENHANCING OUR COMMUNITIES

## Helping Fight Hunger In our Community

Our organization has always been generous in supporting key charitable activities and we will continue with these endeavors. We will continue to partake in sustainable solutions to healthfully feed a growing global population and work to improve the lives of children. Under our values of Care and Customer Focus, we are committed to being a responsible member of the communities in which we operate. We encourage our business units to play an active role within the community. As a food company, we focus most of our charitable activities on reducing hunger and improving the lives of children.

### Through one of our partners, Northstar Recycling



- 500 Tons Donated = 1,199,544 meals (based on 1.2lbs/meal standard conversion).
- Shipped from nine Aspire Bakeries locations.
- 498 Tons used for animal feed instead of landfill.



# ENHANCING OUR COMMUNITIES

## Aspire Bakeries 2023 Holiday Donations

At Aspire Bakeries, we understand the importance of contributing to our communities. At the close of 2023, we selected six non-profit organizations focused on ending hunger in the communities we serve. Our charitable donations to these organizations show our continued commitment to giving back to communities in need:

### Feeding America (US)

Feeding America is a nationwide network of 200 food banks that leads the fight against hunger in the United States. Together, they provide food to more than 46 million people through 60,000 food pantries and meal programs in communities across America. Feeding America also supports programs that improve food security among the people they serve, educates the public about the problem of hunger and advocates for legislation that protects people from going hungry.

### Second Harvest (Canada)

Second Harvest's vision is to end waste and hunger. They work to make that a reality through their food rescue program, training and education initiatives, and their harvest kitchens.

### A Just Harvest (Chicago)

A Just Harvest fights poverty and hunger by providing nutritious meals via a weekly walk-up food pantry, weekly grocery delivery and the Produce Mobile.

### Project Angel Food (Los Angeles)

Project Angel Food prepares and delivers healthy meals to feed people impacted by serious illnesses.

### Food Banks Canada (Canada)

Food Banks Canada collects food and raises funds to share with its network and delivers national programs to help food banks distribute food efficiently.

### World Central Kitchen

WCK is first to the frontlines, providing meals in response to humanitarian, climate, and community crises.

During 2023, we donated nearly 1.5 million pounds of food to support local communities. As we move forward in 2024, we'll continue to look for opportunities to give back to our communities and engage our associates.

**At Aspire Bakeries, we are Rising Together.**





# EARTH DAY HIGHLIGHTS

## Earth Day Spotlight

In honor of Earth Day, several of our Aspire Bakeries teams engaged in activities promoting a more sustainable world including: cleaning up trash in the community, hosting sustainability contests promoting earth-friendly practices, organizing tree planting events, and launching education events focused on recycling and renewable energy – just to name a few! We appreciate all our staff contributions on Earth Day and throughout the year!

Our Ancaster and Winnipeg bakeries completed a trash clean up around the neighborhood in celebration of Earth Day.



At our Ancaster bakery.



At our Winnipeg bakery





# EARTH DAY HIGHLIGHTS

## Earth Day Awareness

At Aspire Bakeries, we prioritize environmental stewardship. We encourage our employees to conserve water and energy, and reduce waste wherever possible. Each year we publish and post Earth Day posters with ideas on ways to conserve natural resources at work and at home.

### EARTH DAY TIPS

**WHAT YOU CAN DO AT WORK**

- SIFIRI (See it, Fix it, Report it)**
  - If you see a situation where natural resources are being wasted (water leak, air leak, equipment running when not needed, etc.) fix it or report it to your supervisor.
- BE AWARE OF PRINTING PRACTICES AT WORK**
  - Print only absolutely needed documents.
- RECYCLE AND SEPARATE WASTE AT THE BAKERY**
  - Make sure recycling procedures are being followed (proper bin colors, waste separation, etc.)
- DON'T WASTE WATER - use only as needed**
  - Follow bakery sanitation procedures.
  - Maximize scraping and dry cleaning prior to washing.
- BRING REUSABLE FOOD CONTAINERS, CUTLERY, AND WATER BOTTLES**
  - Do your part to reduce lunchroom waste generated at the bakeries.
  - Improve your bakery's recycling and diversion rate.

**WHAT YOU CAN DO AT HOME**

- INSTALL AERATORS ON SINK FAUCETS**
  - Aerators can frequently reduce faucet water usage up to 30% without reducing performance.
- WASH LAUNDRY IN COLD WATER**
  - Much of the energy used during your laundry cycle comes from heating the water; use cold water to save energy.
- BE AWARE OF THERMOSTAT WHEN WORKING FROM HOME - don't set too high or low**
  - Best practice is to set your thermostat to 68°F (20°C) or lower in the winter, and 78°F (25.5°C) or higher in the summer.
- RAISE AWARENESS THROUGH CONVERSATIONS & ACTIVITIES**
  - Engage with family, friends and peers to raise awareness around sustainability initiatives at home and abroad.
  - Participate in neighborhood cleanups, tree planting, and other events.
- GO PAPERLESS**
  - Elect for paperless billing whenever possible.

**CALCULATE YOUR CARBON FOOTPRINT**  
 Here's a fun way to understand your personal carbon footprint. You can't reduce it if you don't measure it! <https://www.5.apa.gov/carbon-footprint-calculator/>

**ASPIRE BAKERIES**

### CONSEJOS PARA EL DIA DE LA TIERRA!

**QUÉ PUEDE HACER EN EL TRABAJO**

- VEALO, ARRÉGLELO, REPÓRTALO**
  - Si ve una situación en la que se están desperdiciando recursos naturales (fuga de agua, fuga de aire, equipo en funcionamiento cuando no se necesita, etc.) corrígalo o infórmele a su supervisor.
- TENGA EN CUENTA LAS PRÁCTICAS DE IMPRESIÓN EN EL TRABAJO**
  - Imprima solo los documentos absolutamente necesarios.
- RECICLAR Y SEPARAR LOS RESIDUOS EN LA PANADERÍA**
  - Asegúrese de que se sigan los procedimientos de reciclaje (colores adecuados del contenedor, separación de desechos, etc.)
- NO DESPERDICIE EL AGUA: utilícelo solo cuando sea necesario**
  - Siga los procedimientos de higiene de la panadería.
  - Maximice el raspado y la limpieza en seco antes del lavado.
- TRAIGA RECIPIENTES DE COMIDA, CUBIERTOS Y BOTELLAS DE AGUA REUTILIZABLES**
  - Haga su parte para reducir los residuos generados en los comedores en las panaderías.
  - Mejore la tasa de reciclaje y desviación de su panadería.

**QUÉ PUEDES HACER EN CASA**

- INSTALE AIREADORES EN LOS GRIFO DEL LAVABO**
  - Los aireadores pueden reducir con frecuencia el uso de agua del grifo hasta en un 30 % sin reducir el rendimiento.
- LAVE LA ROPA CON AGUA FRÍA**
  - Gran parte de la energía utilizada durante el ciclo de lavado proviene de calentar el agua; use agua fría para ahorrar energía.
- TENGA EN CUENTA EL TERMÓSTATO CUANDO TRABAJE DESDE CASA, no lo configure en alto o bajo**
  - La mejor práctica es configurar su termostato a 68°F (20°C) o menos en el invierno, y 78°F (25.5°C) o más en el verano.
- CREAR CONCIENCIA A TRAVÉS DE CONVERSACIONES Y ACTIVIDADES**
  - Embrulárense con familiares, amigos y compañeros para crear conciencia sobre las iniciativas de sostenibilidad en el país y en el extranjero.
  - Participe en limpiezas de vecindarios, plantación de árboles y otros eventos.
- OLVÍDESE DEL PAPEL**
  - Elija la facturación electrónica siempre que sea posible.

**CALCULA TU HUELLA DE CARBONO**  
 ¿Quieres saber qué tanto carbono estás contribuyendo a la huella de carbono personal? ¡Puede reducirlo si lo mides! <https://www.5.apa.gov/carbon-footprint-calculator/>

**ASPIRE BAKERIES**



# SHARING OUR REPORTING RESULTS

## Current Reporting:

The Carbon Disclosure Project (CDP) is a non-profit that runs the global disclosure system for investors, companies, cities, states and regions. Over the past 20 years, it has created a system that has resulted in unparalleled engagement on environmental issues worldwide. We have reported to the CDP each year since 2015. In addition to climate, CDP also includes forest (palm oil & packaging) and water reporting. You can find our latest score below:

Name	Response	Year	Status	Score
Aspire Bakeries	Climate Change 2023	2023	Submitted	B-
Aspire Bakeries	Forests 2023	2023	Submitted	C D D
Aspire Bakeries	Water Security 2023	2023	Submitted	C

The Annual Communication of Progress (ACOP) are reports submitted by Roundtable on Sustainable Palm Oil (RSPO) members to gauge their progress towards 100% RSPO-certified sustainable palm oil. These reports are mandatory for ordinary and affiliate members and are submitted each year. Check our progress here.

EcoVadis is a sustainability assessment that Aspire has reported on in the last two years. This assessment covers sections of environmental, labor and human rights, ethics and sustainable procurement. Aspire has received the "Ecovadis Committed Rating" for our results. In 2023, we scored in the 45th percentile within our industries reporting to EcoVadis.

## Future Reporting

The Sustainability Accounting Standards Board (SASB) Foundation was established in 2011 as a not-for-profit, independent standards-setting organization. The Foundation's mission is to establish and maintain industry-specific standards that assist companies in disclosing financially material, decision useful sustainability information to investors. We have reviewed the standards and identified where we can submit today and where we need to develop data for future submissions.



# CONCLUSION

At Aspire Bakeries, sustainability is a team effort! In 2023, we evaluated our bakeries for additional waste diversion opportunities and worked with our waste consultants to achieve over 95% waste diversion across our sites. We reduced our non-recipe water use by 10%, and we laid out a framework to further reduce our water consumption. We completed multiple energy efficiency projects that contributed to our carbon footprint reduction. In 2024, we'll focus on solidifying our carbon reduction roadmap in alignment with our goal to reduce Scope 1 & 2 emissions by 46% by 2030.

We've worked hard to ensure sustainability is baked into every aspect of our business, and we remain committed to increasing our use of sustainable raw materials. In 2024 and beyond, we'll take a deeper dive into regenerative agriculture practices and explore more sustainable cocoa options. We appreciate our employees, customers, and suppliers who make sustainability a daily priority!

Please reach out if you'd like to connect, we'd love to hear from you!

Thanks,  
Ashley Hoover  
Director, Corporate Responsibility and Sustainability

For questions and ideas, please contact Ashley Hoover at [Ashley.Hoover@aspirebakeries.com](mailto:Ashley.Hoover@aspirebakeries.com)



**Ashley Hoover**  
Director, Corporate  
Responsibility & Sustainability  
Los Angeles, US



**Stefan Lardenoit**  
Director, Finance  
Chicago, US  
Part Time Member



**Drew Harper**  
Manager, Sustainability  
St. Paul, US



**Tony Ngo**  
Manager, Sustainability  
Ancaster, Canada

