

ESG Report **2022**



gategroup

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A message from our CEO



Dear customers, colleagues, partners, and shareholders,

It's my pleasure to share with you gategroup's debut ESG Report, in which we provide an overview of our environmental, social, and governance ambitions and the strategies and mechanisms we have begun to put in place to bring those objectives to fruition.

We devoted ourselves throughout the pandemic to preserving our core business activities while preparing for recovery and growth and diversifying into adjacent markets. With the adjustment of our strategy and focus, the moment arrived to define, articulate, and formalize gategroup's purpose and values along with quantifiable ESG metrics.

Sustainability has long been part of the solutions offering for our customers, but we pursued environmental and social advances in the absence of clearly established performance targets. We decided that 2022 was the year to fully integrate ESG into our business and to create a framework for living our ideals across our operations, partnerships, investments, community relationships and practices as an employer.

Today, we recognize ESG standards as a necessary element of our day-to-day decision-making. But we are still very much in the early stages of completing the work necessary to develop and execute a full complement of ESG strategies and to track our progress on each component of our ESG platform.

Step one in the process was to conduct a comprehensive materiality analysis, which was one of the business priorities we completed during 2022. This exercise allowed us to identify concrete focus areas where we can achieve the greatest environmental and social impact along gategroup's value chain. My mantra continues to be: *If you don't measure it, you don't manage it.* Therefore, as a follow-up step, we conducted a status quo assessment to identify gaps for improvement and define our sustainability aspirations and targets for the near and long-term. These were formalized in our ESG Framework 2025+.

We now have a baseline and a blueprint for moving ahead formally on environmental practice, on our social mission — as a global citizen and a global employer — and on governance issues such as transparency of our internal frameworks, implementation of a responsible supply chain program, and integration of sustainability drivers into our products and solutions offerings.

These are ESG goals but also business goals. They are integral elements of our strategy for performing at our best in terms of industry leadership, market share, status as an employer of choice, environmental and humanitarian engagement, and integrity in our dealings with all stakeholders.

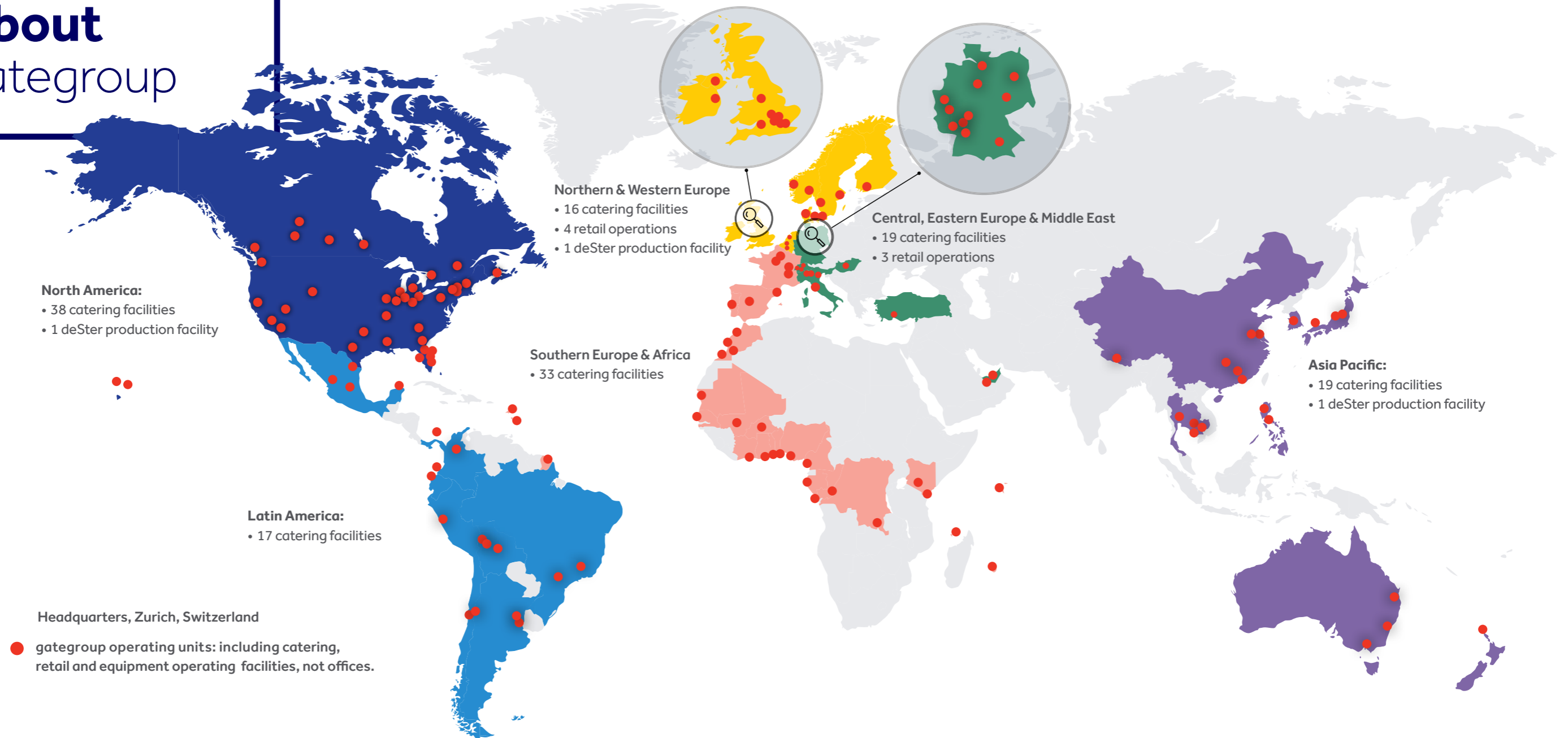
We will not achieve these goals overnight. But having completed our materiality analysis and developed a strategy for getting started, we are well-positioned to move forward with confidence. I have already been immensely impressed with the work done to date by our ESG team and the enthusiasm our employees have demonstrated as we launch this program. We have set high ambitions on sustainability for gategroup, but this company has a history of meeting challenges with determination, commitment and, ultimately, success.

On behalf of gategroup's Board of Directors and executive leadership, I thank each of you for joining us on this journey and for your continued confidence in our capacity for innovation and transformation. With your support and participation, I look forward to reporting each year on our progress in achieving our ESG ambitions.

Christoph Schmitz
Chief Executive Officer

About gategroup

gategroup's global presence and network



Our family of brands

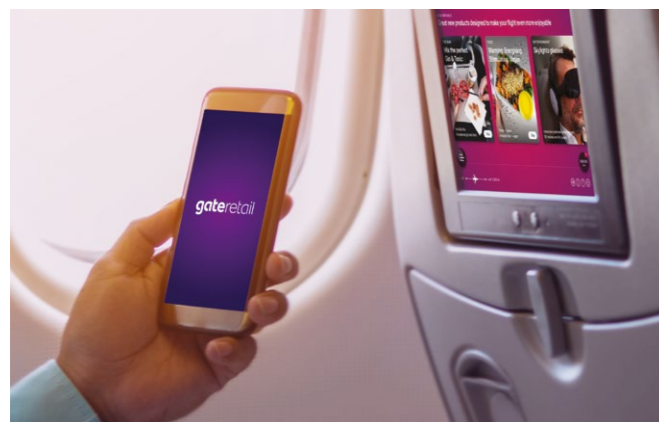
gategroup is the global leader in airline catering, retail-on-board, hospitality services, food solutions and packaging. Our family of brands is at the forefront of each of their respective categories in the industry. Providing passengers with superior culinary and retail experiences onboard or ready-to-go meals at supermarkets using sustainable food packaging concepts, our brands leverage innovation and operational excellence to deliver unique food experiences and environmentally friendly solutions that adhere to the highest standards.



Gategourmet

Global leader in airline catering and provisioning services

Gate Gourmet is the global leader in airline catering solutions, serving airlines at over 200 airports and airport lounges. Our passion lies in delivering an exceptional dining experience to airline customers and passengers. From menu design to execution and delivery, we work closely with our airline partners and culinary community to develop innovative and authentic creations that delight the senses of passengers around the world. Our culinary team is supported by our dedicated operational excellence team who stridently ensures that we deliver standardized, consistent catering services using the highest quality ingredients through our vast network of appraised suppliers.



gateretail

Innovating and delivering profitable retail programs

As the world's leading inflight retailer, gateretail enhances the passenger experience through our award-winning, omni-channel retail programs for our airline partners. With an extensive knowledge and experience in food and beverage in travel retail, gateretail's programs are designed to drive increased revenue streams for airlines through technological innovation and training. With a global customer portfolio covering four continents, gateretail serves more than 20 airline customers on over 1000 aircrafts to more than 315 million passengers a year.



deSter

Shaping the future of onboard dining

deSter is the market leader in designing and manufacturing sustainable food packaging and serveware concepts for the aviation, hospitality, and food service industries. Prioritizing environmental goals and incorporating lightweight, eco-friendly materials into product development, each design is unique and always aims towards contributing to a circular economy. deSter excels at transforming distinct product concepts into tangible solutions that meet the highest quality standards.



SERVAIR

Caterer to the world and market leader in Africa

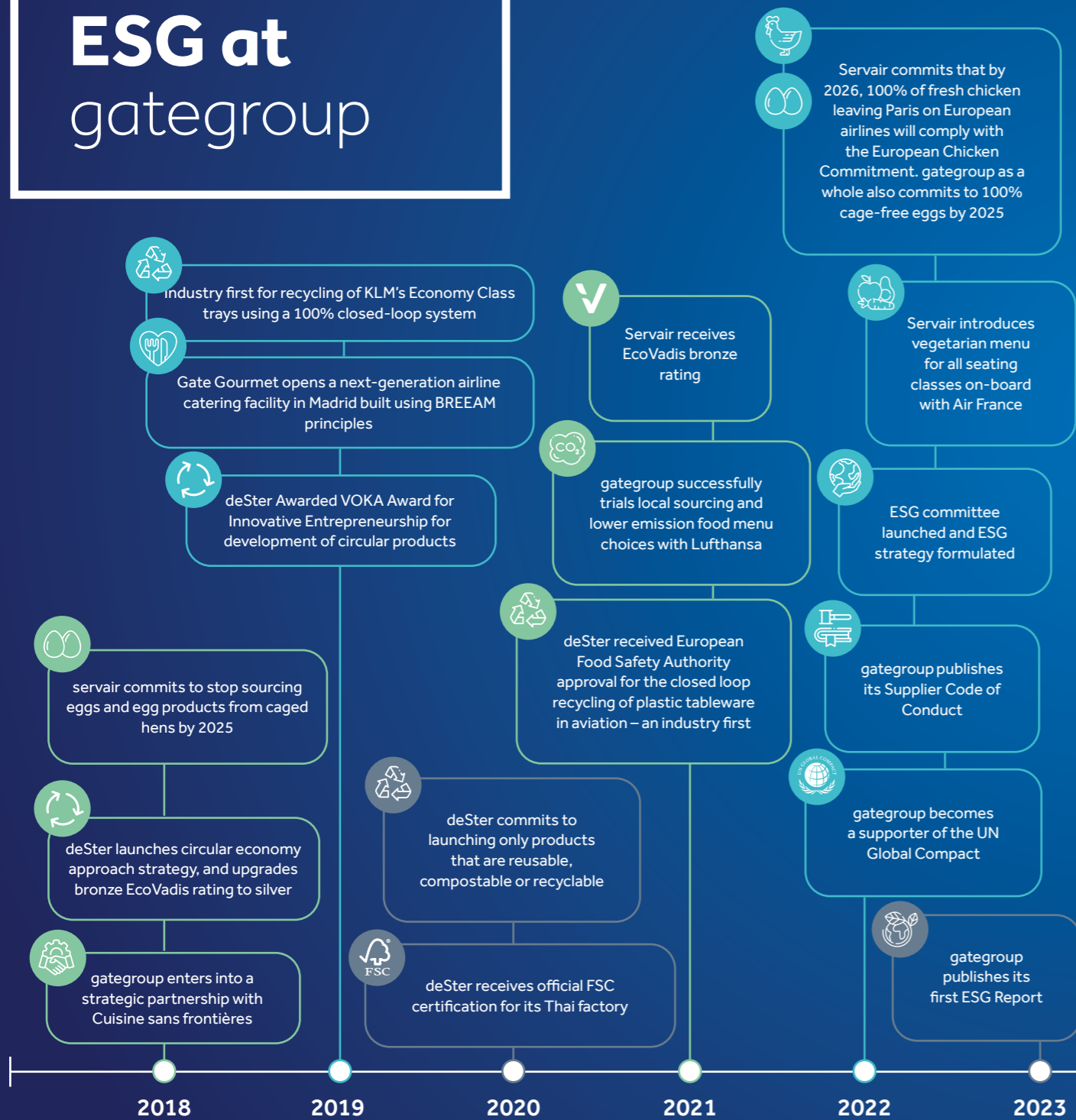
Leveraging its rich heritage in airline culinary excellence, Servair is the premium caterer and food service provider for France and the African continent. Passionate about gastronomy, Servair joined gategroup in 2017 and delivers world-class inflight catering and operates a wide variety of airport services and non-aviation hospitality and catering facilities around the world.



Food Solutions

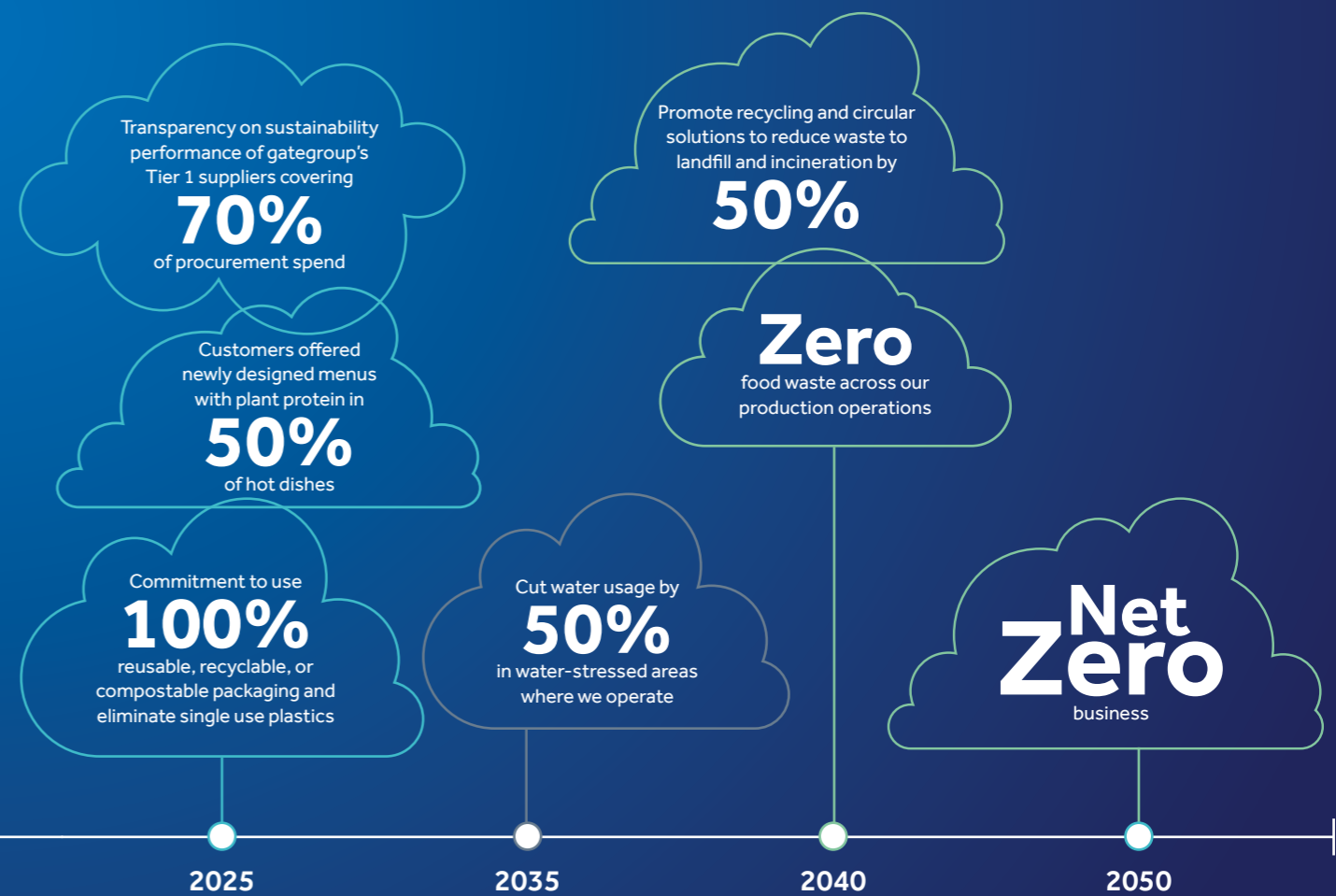
Our Food Solutions division is a collective of diverse food solutions and services providing lounges, ready-to-eat meals, unique catering operations, food delivery platforms and innovative food packaging concepts. Leveraging our operational facilities and expertise around the world, our broad portfolio of B2B and B2C brands and companies deliver meals, services, and packaging solutions to a wide range of partners, customers, and consumers.

ESG at gategroup



Our sustainability journey

gategroup's ESG story began a number of years ago, with sustainability considerations playing a role in the organization's agenda across our international network of locations. And while the past actions have been spearheaded by our Servair and deSter businesses, we now look forward as a Group to drive sustainability management with strategic focus as an integral part of our business blueprint.



How did 2022 mark a turning point for gategroup's approach to ESG?

Chief Executive Officer Christoph Schmitz, Chief People Officer Jeanette Hron, and Global Head of ESG Yulia Bolotina exchange thoughts about what ESG means to gategroup and how the company is working to fulfill its ESG mission.

Christoph Schmitz: We have always known that this is the right thing to do. As we expanded our business lines during the pandemic, we gained new insights into executing successful transformations at gategroup — and 2022 became the year to apply that knowledge to integrating ESG organization-wide.

I want to acknowledge Francisco Moreno, who, during his tenure as Chief Operating Officer, in 2022, initiated the process of thinking about gategroup's environmental, social and governance impact. From that starting point, we made great progress in formulating our roadmap for converting gategroup's ESG ambitions into productive and effective business practices.

Jeanette Hron: Positioning sustainability in our strategic focus has an impact on how customers, consumers, and employees perceive our value. It's a point of pride for members of our team, many of whom already engage in local environmental management initiatives and community-based or social programs to contribute to a better world.

Yulia Bolotina: It's exciting to be at the foundation step of determining how ESG innovations can address diverse needs and support our business goals. As our programs advance and our culture evolves, I'm looking forward to seeing how members of our team take ownership of gategroup's ESG performance metrics.



Left to right: Christoph Schmitz, Yulia Bolotina, Jeanette Hron.



Christoph Schmitz: We're moving toward a point where ESG, financial, and operating metrics are all intertwined. For example, we've been testing a software solution that collects data on dishwashers so we can ensure optimal use of detergents, water, and energy and minimize downtime. This is just one example of how sustainable and cost-management practices go hand in hand, with each objective contributing to the success of the other.

Yulia Bolotina: There's a circularity in this, too, in being able to capture cost savings that finance further efficiencies and sustainable innovations.

Christoph Schmitz: This is why it's so important to continually measure and benchmark, so that we have hard data to guide our investments in further improvements.

Jeanette Hron: The additional advantage is that it builds the record of transparency and accountability necessary to sustain confidence in all the company's operations and initiatives. That governance aspect is so critical to maintaining the trust of employees and all stakeholders.

Christoph Schmitz: In addition, each win adds to our momentum, strengthens our resolve to meet the inevitable challenges, and ensures that our performance will reflect the full scope of our priorities.

Food is our business

As a culinary company, gategroup has established a strong track record of delivering innovative food solutions across all our business lines. Our expertise has raised our awareness of a global food crisis: the world is literally throwing away the chance to tackle the problem of food waste.

The numbers speak for themselves. The UN's Food and Agricultural Organization reports that each year:

- The world wastes 1.3 billion tons of edible food.
- 1.4 billion hectares of land are used to produce this lost or wasted food. That's 28 percent of the world's agricultural area.
- The carbon footprint of food waste is estimated at 3.3 billion tons of CO₂-equivalent greenhouse gases.

A core component of our ESG commitment is working collaboratively with global partners to address the issue of food waste. We are engaged in ongoing exchanges of ideas with stakeholders across our value chain to encourage more sustainable approaches to food consumption among regulators,



suppliers, and customers. By partnering with our customers, we can help to reduce the volume of waste that goes to landfill or incineration — for example, by segregating waste on board to increase the percentage that is recycled.

The world is just beginning its journey toward more environmental and equitable use of food. Serving this important cause is central to who we are, and by integrating greater food resource efficiency into our business practices, we can improve our productivity, cost management, and operational performance.

Sustainable local sourcing of ingredients is another matter of increasing focus at gategroup. Our partnerships with local food producers complement our efforts to support economic development and self-sufficiency in all the communities in which we do business. By providing smaller agricultural operations with access to repeat business at fair prices, we help to foster food production ecosystems that can sustain local economies, employment, and self-sufficiency.

This is wholly in keeping with our perspective on ESG overall: we look at environmental and social initiatives as complementary to, rather than in conflict with, our business objectives, ability to support customers' requirements, and capacity to serve the priorities of every stakeholder in gategroup's value chain.

Sustainability spices up our culinary offerings

At gategroup, we firmly believe that sustainability is good practice for business, society, and the environment. For our culinary and customer experience teams, this principle is driving innovation in menu development that supports climate goals and customer needs.

Sustainability presents culinary challenges, but also opportunities to delight passengers with fresh, inventive, and environmentally friendly dining options. We're proud to be pioneering the future of sustainable dining.

CULINARY DESIGN DRIVERS ENHANCING SUSTAINABLE MENU OFFERING



- Through market & data insights, gategroup fully understands the consumer expectations in terms of a sustainable food offering while traveling.
- gategroup incorporates CO₂ emissions into menu design, sourcing, production and delivery.
- gategroup's culinary teams are prioritizing seasonal and locally sourced ingredients for their menu design, supporting local farmers and food communities.
- gategroup promotes closed loop serviceware and plastic packaging that is fully reusable, recyclable or compostable.
- Nutrition is an integral part in gategroup's menu design process, aiming for healthy, nutrient dense menus through bespoke selection of ingredients and reduction of additives & preservatives.
- gategroup is fully committed to support its customer's sustainable strategy through thoughtful culinary design & catering operations.

The culinary and customer experience

Passengers are becoming more adventurous eaters but also more environmentally responsible travelers. Agustin Buenano, Vice President Customer Experience and Gottfried Menge, Vice President Group Culinary Experience discuss how gategroup is responding to these trends.

Agustin Buenano: The growth of the farm-to-table movement has made people more aware of the sustainability benefits of local sourcing. That trend is a force now in menu design for on-board dining. Fortunately, gategroup is well positioned to meet that demand via our global network of suppliers. But inflationary pressures can create challenges as our team works to balance local sourcing and cost management priorities.

Gottfried Menge: There's also the reality that certain ingredients are available only in specific parts of the world, and that can create conflicts with environmental considerations. We make every effort to draw on our creativity and collaboration with our customers and suppliers to provide menu offerings that balance these concerns.

Agustin Buenano: That's important because there's a dimension to our work beyond producing delicious meals. Our ability to deliver innovative culinary offerings has a direct impact on our customers' success in brand differentiation. Passengers today are conscious of the climate impact of air travel, and their perception of each airline's commitment to sustainable practice has become a factor in maintaining or growing their market share.



Agustin Buenano

Gottfried Menge

Gottfried Menge: At the same time, those who have paid for premium seating want a dining experience commensurate with their ticket price. So, in each of these cases, customers count on gategroup and its culinary team to provide the partnership and expertise necessary to meet diverse and sometimes contrasting expectations.

Agustin Buenano: That's where emerging technologies are playing an invaluable role. For example, giving passengers access to preselected, preordered meals reduces waste on board and helps us to monitor and track shifts in dining preferences. Data helps us to identify the meals that passengers will enjoy most and that will generate the least waste.

Gottfried Menge: Absolutely. Data collection and analysis can help us to find the right approach to meeting passengers' culinary and sustainability expectations.

Defining the areas of focus for ESG at gategroup

Before gategroup could embark on a meaningful ESG journey, we had to identify the areas of sustainable development that are most relevant to our operations and in which we could make the greatest impact. The materiality assessment we conducted during the second half of 2022 drove our evolving definition of gategroup's performance parameters.

As a company that values diverse perspectives, we sought insights from key external and internal stakeholders, including investors, customers, and more than 7,000 gategroup employees. We conducted outreach in person, by telephone, and via digital channels, and we are grateful for the thoughtful input this process provided. In addition, we researched and validated areas of material concern and related emerging trends.

To complete this evaluation process, the Executive Management Board reviewed a ranked listing of these topics and finalized gategroup's material ESG priorities. They are:

WASTE MANAGEMENT	While regulatory restrictions on repurposing of international catering waste contribute to a surge in volumes sent to landfill and incineration, gategroup recognizes the vast possibilities of putting in place waste management actions within the scope of our direct influence. We are working across the company's value chain to reduce and recover food waste internally, as well as in collaboration with our customers for offloaded waste.
WATER MANAGEMENT	Recognizing the interdependency between our business and water resources, we understand that saving water within our operations contributes directly to the preservation of water resources for the local ecosystems and communities.
ENERGY AND GREENHOUSE GAS (GHG) EMISSIONS MANAGEMENT	Our business provides energy-intensive services to customers who themselves operate in energy-intensive industries. Managing the energy efficiency of our operations and the resulting GHG emissions footprint is necessary to ensure and support our group's climate resilience.
OPERATIONAL HEALTH & SAFETY (OHS)	Operating in the context of a fast-paced production and assembly business, we identify OHS to be one of the key employee-relevant topics for our group.
DIVERSITY, EQUITY, INCLUSION (DE&I) & WELLBEING OF OUR EMPLOYEES	As a company operating in over 60 countries, we take pride in the diversity of backgrounds and perspectives represented within our workforce. It is a source of creativity and fresh insights in every aspect of our work. We firmly believe that every employee deserves fair treatment and a sense of belonging. By setting a strategic focus on diversity, equity, inclusion, and wellbeing, we aim to create a supportive and inclusive work environment for all.
COMMUNITY, SOCIAL IMPACT & LABOR RIGHTS	We recognize the importance of actively involving our employees and engaging with the communities we operate in to create meaningful impacts in different regions.
TRANSPARENT GOVERNANCE	Transparent governance ensures that we measure and report our ESG performance, hold ourselves accountable and continuously improve. It serves as a pivotal driver for our overall ESG agenda.
RESPONSIBLE SUPPLY CHAIN MANAGEMENT	Identifying risks and opportunities within our supply chain is a crucial topic for business continuity, customer satisfaction, regulatory compliance, and steering gategroup's indirect impact on sustainable development around the world.
PRODUCT STEWARDSHIP & INNOVATION	Being one of the leaders in the catering service industry means that we need to understand and stay ahead of the curve on consumer trends and developments, proactively engaging with our customers to integrate the relevant drivers into menu design and creation. Sensitizing our customers and passengers on sustainability topics through our products, we have a possibility to create a vast positive environmental and social impact.

Equipped with the materiality analysis and our roadmap for ESG progress, we are now positioned to unlock our full potential for merging innovation, commercial and sustainability objectives into an integrated business strategy.

Our key stakeholders

Our business is an intrinsic part of a complex ecosystem that relies on strong relationships with a broad range of stakeholders. Proactive contact with them on important issues allows us to make sure that we walk in step with the times and develop forward-looking solutions.

Stakeholder group	Description and key interactions
EMPLOYEES	gategroup is proud to employ over 38,000 team members in 60 countries around the world. Their motivation and hard work make our organization tick. It is therefore of the highest importance for us to engage with them and build an environment that fosters their skills and enables them to grow. Periodic employee engagement surveys are conducted within our regions to test the pulse of the organization.
CUSTOMERS	In our daily work, we are in continuous contact with our airline and food service customers making sure we do our part in contributing to their goals and targets, including those on sustainability issues. We keep a close eye on market trends and end-customer needs to ensure that our product and service offerings, including bespoke solutions, align with current requirements.
INVESTORS	gategroup is a privately held company, with two shareholders, Temasek and RRJ each holding 50% of the equity. Representatives of the two firms hold seats on our Board of Directors, and there is a monthly financial update provided to the investors. Temasek places strategic focus on ESG, and we are in dialogue with them to make sure we are aligned to meet their best practice expectations on ESG matters.
SUPPLIERS	Long-term successful partnerships with gategroup's suppliers are essential for business continuity. Therefore, we place great emphasis on ensuring that they meet our own standards for quality, safety, sustainability, and ethics. We regard our suppliers as crucial partners in minimizing social and environmental risks and capturing opportunities along our value chain.
REGULATORS	gategroup has an international business with operations in many countries and jurisdictions and complies fully with their respective laws and regulations.
INDUSTRY ASSOCIATIONS	To advance efforts on topics where gategroup does not have the possibility for sole direct control or impact, we engage with industry organizations at corporate and local levels. These include the Airline Catering Association (ACA), IATA, International Flight Services Association (IFSA), the Aviation Sustainability Forum, etc.
COMMUNITIES AND NGOs	gategroup believes in being a responsible and caring corporate citizen and supports a number of social programs through contributions done on a Corporate and unit level. We are in ongoing dialogue and collaborate with various NGOs on topics such as capacity building within local communities and animal welfare. As of 2022, gategroup is an active participant in the UN Global Compact.
MEDIA AND SOCIETY	We regularly publish media releases on relevant topics and maintain an ongoing exchange of information with the media.

Our ESG Framework

At gategroup, we take our ESG responsibilities seriously. This strategy and its goals are the result of an in-depth analysis of our material issues, challenges and opportunities. We are committed to following the principles of the United Nations Global Compact and regular, meaningful and transparent reporting.



RESPONSIBLE ADVOCACY

As the world's most diversified and customer-centric food company, our purpose is to use our influence to nourish change in international policy that improves the nutrition and sustainability of food throughout all journeys, as well as reducing waste and associated impacts.



Addressing Environmental matters at gategroup

We are committed to reducing our environmental impacts across our operations by developing systems to monitor and reduce water use, waste production and GHGs.

	Water	Waste	Energy, climate change & GHG emissions
Ambition	Cut water usage by 50% across our locations in water-stressed areas by 2035.	Zero food waste solution across our production operations and promotion of recycling and circular solutions to reduce waste to landfill & incineration by 50% by 2040.	Become a Net Zero business by 2050.
Targets	<ul style="list-style-type: none"> Conduct groupwide water usage assessment by EoY 2023 and create water management strategy by EoY 2024. Deploy a proactive water management program and show demonstrable results by 2025. 	<ul style="list-style-type: none"> Conduct groupwide waste assessment by EoY 2023 and create waste management strategy to maximize recycling & minimize single use materials by EoY 2024. Deploy a proactive waste reduction program and show demonstrable results by 2025. 	<ul style="list-style-type: none"> Conduct a groupwide energy assessment by EoY 2023 and create an energy management strategy by EoY 2024. Begin proactive energy reduction program and show demonstrable results by 2025.

Addressing Social matters at gategroup

Our communities matter. We commit to creating a responsible and caring culture that supports our people and communities from the grassroots level.

	Health, safety and worker protection	Diversity, equity, inclusion (DE&I) and wellbeing	Community, social impact & labor rights
Ambition	Create an accountable, zero-incident culture.	Create an industry-leading DE&I action plan and implement by 2025.	Create a group-wide community engagement strategy to foster social impact in our locations.
Targets	<ul style="list-style-type: none"> Begin annual audit of health and safety policies, systems, and procedures, standardize these and create a roadmap for further improvements by 2025. Cultivate a safe and welcoming working environment to continually reduce incidents with a target of 50% reduction on 2022 baseline by 2030. 	<ul style="list-style-type: none"> Roll-out group-wide DE&I awareness on all levels by EoY 2023. By EoY 2025, establish a framework to recognize, support, and uplift the diversity and communities within our organization. 	<ul style="list-style-type: none"> Each Region to identify and support at least one employee-selected local community project by 2024 and start measuring social contribution metrics by 2025. Engage with our host communities to provide good work opportunities and a sustainable path for professional growth.

Addressing Governance matters at gategroup

Transparency builds trust and accountability. As an industry leader we must ensure everything we do aligns with best practices and applicable international reporting frameworks.

	Transparent governance	Responsible supply chain management	Product stewardship & innovation
Ambition	Develop exemplary, transparent, and auditable reporting and governance standards by 2025.	Develop a transparent and audited responsible group supply chain by 2040.	Establish gategroup as a sustainability-focused leader in the catering service industry through innovative culinary product stewardship.
Targets	<ul style="list-style-type: none"> Achieve transparency of ESG governance by publishing applicable proceedings on our website and intranet by H2 2023. Align sustainability reporting to international best practice standards. 	<ul style="list-style-type: none"> Gain transparency on sustainability performance of our Tier 1 suppliers covering 70% of procurement spend by the end of 2025. Use 100% cage-free eggs by 2025. 	<ul style="list-style-type: none"> To improve animal welfare and emission impact in our supply chain, offer 50% of hot dishes with plant protein in our newly designed menus by the end of 2025. To eliminate single use plastics in our product offering, use 100% reusable, recyclable, or compostable packaging by the end of 2025.

ESG management at gategroup

Following completion of our materiality analysis in November 2022, we developed a high level ESG Framework 2025+ and recruited a team dedicated to managing ESG on the global level and reporting directly to the Chief People Officer (CPO). As a result, gategroup entered 2023 ready to define concrete measures and KPIs for meeting the goals defined in the ESG framework. As the development and implementation of the ESG framework evolves, in the interest of transparency, we are committed to the continuous increase of in-depth non-financial reporting that adheres to best practice and international reporting standards.

In addition to establishing the Global ESG team, we chartered an ESG Committee in late 2022. Composed of global heads of ESG, Compliance, Procurement, HR, Operations and Communications, it is responsible for steering the decision-making of gategroup corporate mandates on such issues as environmental stewardship, health and safety, diversity and inclusion, responsible supply chain, human rights and corporate governance. Its scope of focus includes analysis of ESG-relevant data to be used to progress toward our goals and to be included in the annual ESG report.

The Committee is chaired by gategroup's CPO and assists her in shaping and implementing the company's ESG strategy. On a quarterly basis, the CPO and the Head of the Global ESG team update the Executive Management Team (EMB) on relevant developments, with the issued resolutions put into action.

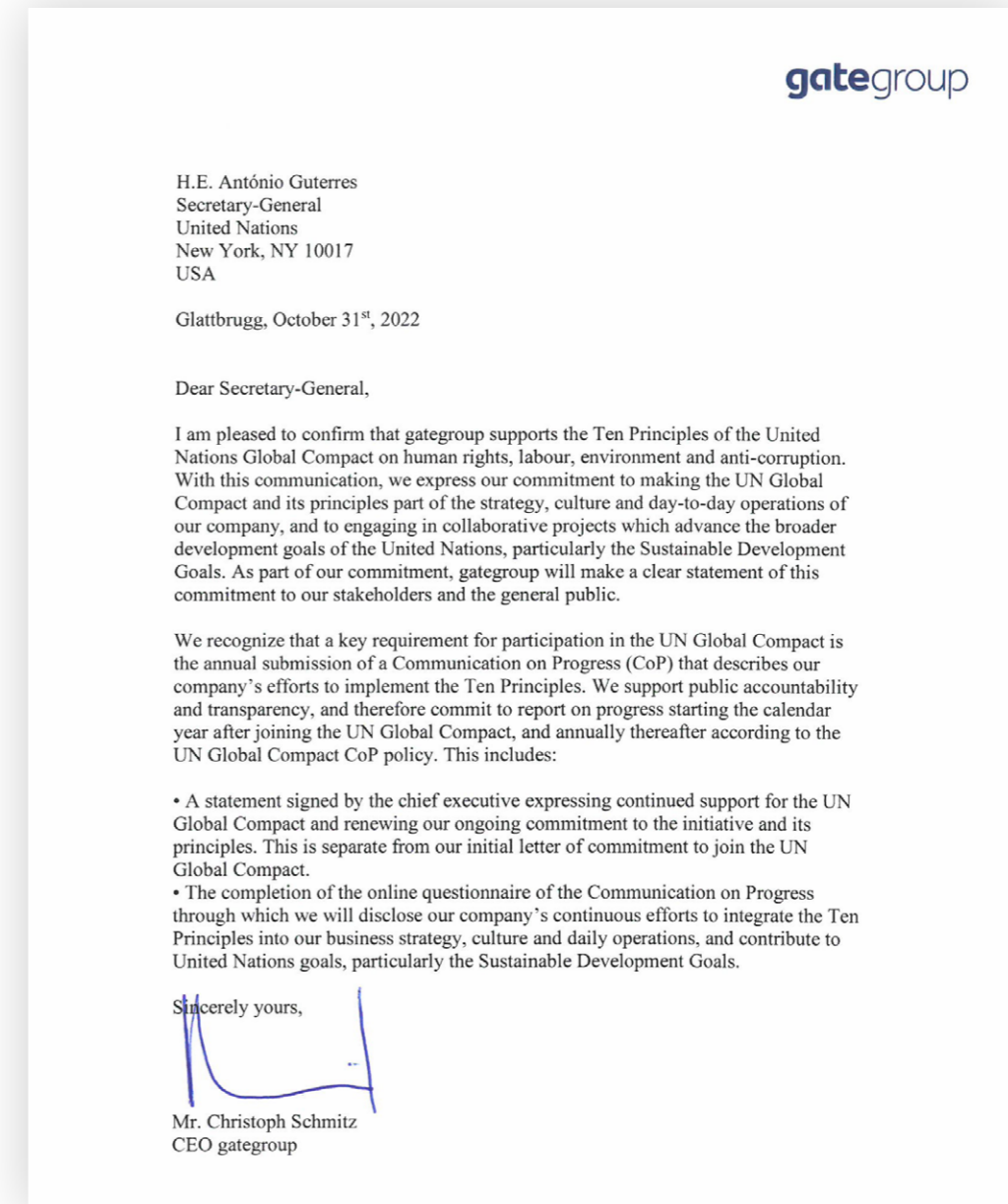
This work is an ongoing process that requires continual dialog with all key stakeholders. Our goal is to proactively engage with industry associations, suppliers, customers and community members regarding evolving issues and regulatory matters. These exchanges of information and ideas will strengthen our ability to reduce negative impacts and make a positive contribution to the international sustainability agenda.

At the end of 2022, gategroup became a participant of the [United Nations Global Compact \(UNGC\)](#). We unconditionally support the principles of the UNGC and are committed to engaging in regular meaningful and transparent reporting on our progress toward meeting our ESG obligations.

A further indication of our commitment to transparency and accountability: In addition to publishing an annual ESG report, gategroup is reporting to EcoVadis for independent external auditing. This conforms to our customer requests and aligns with our dedication to ensuring that we measure results rigorously. To date, deSter has achieved a Gold rating with EcoVadis (placing it among the top 2% of evaluated companies in its industry), while Servair has a Bronze rating.



Commitment to the UN Global Compact principles





Responsible advocacy

As a global large-scale business operating in a B2B context, we see that there are several topics in the ESG realm in which collaborative action is needed to find solutions to pressing common societal issues. Where this is the case, we would like to take an active stance and engage with our customers, suppliers, peers, and cross-industry organizations to expedite the change to the positive.

One such topic, and something that we see as critical for our ESG agenda as well as for the international community as a whole, is the issue of how to address aviation waste. All around the world, there are currently laws in place mandating that all catering waste originating from international flights (ICW Category 1 waste) must be incinerated or landfilled. According to a 2014 report of [IATA](#), the sector estimates that 400,000-450,000 tons of Category 1 international catering waste is generated each year, which could be reduced by up to 40% if uncontaminated waste could be reused or recycled. Stemming from the early 2000s, these regulatory restrictions are being contested by all key involved industry parties, including airlines, caterers, and airport operators, but it is not yet clear when there might be a shift on this issue.

To expedite the process, gategroup is actively working with cross-industry organizations such as the Airline Catering Association, the Aviation Sustainability Forum, and the International Aviation Management Association to provide input from our end. In the meantime, we are also collaborating with our customers on ways to jointly reduce waste going to landfill and incineration, including but not limited to, wherever possible, segregating waste on board so that the Category 1 portion is reduced and more can be reused or recycled. In parallel, we are working on reducing waste and closing the loop in the parts of the business not affected by the ICW restrictions.

Everything deemed as waste and not processed according to a circular approach causes harm to the environment. But when we talk about food items being incinerated or landfilled, this also further exacerbates the existing issues of uneven global food distribution and diminishing fertile soil. While we understand and respect the concerns behind the ICW regulations, we are compelled to play a leadership role in approaching this issue in a manner that reduces waste and famine.

Having provided meals to those who are in immediate need — refugees, victims of natural disasters and people with severely restricted access to food and clean water — gategroup has seen the faces behind the statistics one reads about in the media. We are always available to support emergency response efforts by using our expertise in the logistics of preparing and transporting high volumes of food on a fast turnaround. But it's equally important to advocate for stopping the current prevalent wasteful practices of disposing of still consumable food items and to work on the establishment and maintenance of a global network of systems for reallocating food resources so that excess volume in one location can provide relief from hunger in another.

Working for positive change in our industry, our customers' industries, and our world is a cornerstone of gategroup's social and environmental priorities.

Environmental management at gategroup

Caring for our planet

- WATER
- WASTE
- ENERGY, CLIMATE CHANGE, AND GREENHOUSE GAS (GHG) EMISSIONS

Water

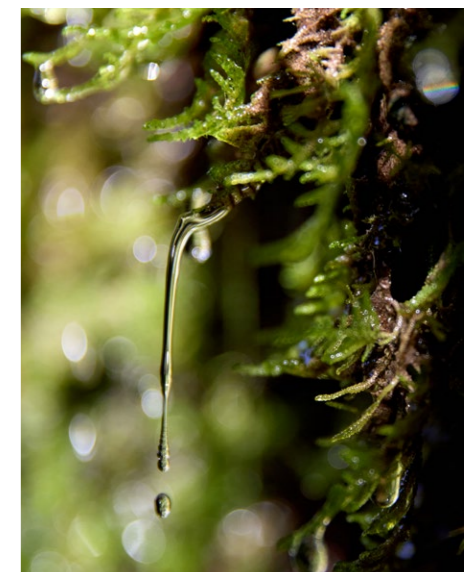
The United Nations 2022 SDG Report found that two billion people lack access to safe drinking water and half the world's population experiences "severe water scarcity" periodically. The global supply of usable, available freshwater is already dwindling and at risk of disappearing faster in the coming decades — which points to a future of more catastrophic floods and droughts than we're already experiencing.

Clean, safe freshwater is essential to every component of gategroup's value chain, from the farmlands we rely on for high quality produce to the kitchens where we prepare meals and sanitize cookware. Our 38,000 employees work in 60 countries on six continents, and many live in areas where reliable, year-round access to clean water has already been disrupted. If we look only at our airline customer segment, we served an estimated 520 million passengers during 2022. We are keenly aware of how many lives we touch and are conscious of our responsibility to the well-being of these end customers.

We therefore have a vested business interest — along with our humanitarian interest as members of the global community — in doing our part to protect this vital natural resource. Water conservation is among our operational and social priorities, and to that end, reducing the volume of water we consume in our units and identifying opportunities to reuse water are some of our key priorities in the ESG Framework 2025+.

During the reporting year, as part of the launch of gategroup's global baseline data collection, we identified locations around the world that already have certain water conservation measures in place. These include recycling of rinse water, use of collected rainwater and water from dishwasher waste and reuse of water from cooling towers. We also conducted a feasibility study on construction of an internal piping system that collects water from open bottles and reuses it to wash trucks.

Looking beyond our internal operating priorities, we used the World Resources Institute's [Aqueduct tool](#) to identify water-stressed areas in the communities where gategroup has a presence, and we screened for those that are expected to be under high or extreme water stress by 2040. Our ambition is to reduce gategroup's water use by 50% in those areas by 2035.



To achieve this ambition, we will conduct a groupwide water usage assessment by the end of 2023 and create a water management strategy during 2024. We will follow these steps with the deployment of a water management program through which we intend to show demonstrable results by the end of 2025.

Waste

Waste creates multiple threats to Earth's health. It increases pollution, accelerates the pace of climate change, and contributes to the loss of natural habitats and biodiversity. The United Nations estimates that the world's population generates 2.24 billion tons of municipal solid waste annually and that up to 14 million tons of plastic waste enter aquatic ecosystems each year.

From a business perspective, reimagining our approach to waste delivers competitive advantages in cost management, operational and supply chain efficiency, and strengthened potential for top- and bottom-line growth. Equally important to a multigenerational organization such as gategroup, intelligent approaches to waste reduction are a signal that we as a company care about our employees' future.

We have therefore initiated the implementation of a variety of projects that promote best practice in responsible production, consumption, and disposal of materials and resources that are central to our business. At this initial stage, some of the examples of waste management efforts at gategroup include:

- implementation of waste management programs in our units across the world that collect an average of 4,200 tons of recyclables each month, including cardboard, tetra pack, plastic, aluminum, metal, glass, wood, used cooking oil, used engine oil, batteries, and electronics.
- innovative recycling projects in Japan and Hong Kong, such as converting food waste to fertilizer and waste oil into biodiesel.
- a process in the U.S. for keeping wooden pallets out of landfills by contracting companies that will collect them for reuse.

Our long-term ambition is to have a zero food waste solution across our operations and promotion of recycling and circular solutions to reduce waste to landfill & incineration by 50% by 2040. While the existing International Catering Waste laws restrict our ability to aim for a holistic zero waste status, we will focus on what we can directly control: food waste coming from our kitchens as well as moving the needle as much as possible on the other categories of waste to reduce, reuse, and put them into the circular flows.

As steps toward achieving that objective, we will:

- conduct a groupwide waste audit by the end of 2023,
- create a waste management strategy to maximize recycling & minimize single-use materials by the end of 2024,
- deploy a proactive waste reduction program and show demonstrable results by 2025.

We see this as an ambition that cannot be achieved overnight. However, the return on an investment here can be profound and extend from protecting the planet to fostering the health and well-being of all Earth's inhabitants.

Putting circularity at the center of production

Innovations that are in development or already introduced at deSter provide gategroup with a model for the inclusion of circular economy practices within our groupwide sustainability plans.

The deSter R&D, design, and product management teams have been collaborating on packaging that supports the target of developing a product line that is 100% circular without compromising on functionality or performance. From 2022 forward, all new products launched under the deSter brand have had to be reusable, compostable, or recyclable. We intend to apply that standard to all deSter products by 2025, which is also the brand's target date for phasing out unnecessary single-use plastic.

Looking further ahead, our ambition is that by 2030, 100% of deSter products will create zero waste and will be sold with a guarantee of end-of-productive-life circularity. These targets are being pursued in tandem with the complementary goals of removing PFAs from product packaging materials globally by the end of 2024 and working only with responsible resources and sustainable materials by 2025.

See more detail on deSter's activities in the brand's recently published [Sustainability Report 2022](#).



From recycling to repurposing

Recycling is an established part of Swiss culture, something that has for many years been part of daily life. It was natural for the Gate Gourmet unit in Zurich to put recycling programs in place nearly a decade ago, and then we began to look for ways to move beyond plastic, paper, and glass.

As a company accustomed to culinary innovation, we thought about how that mindset could enhance not just our menus, but also the remnants of our work in the kitchen. The unit's management found a partner who could collect its discarded produce and other organic waste, ferment it, and convert it to biogas. Then that collection process expanded to include containers of juices and soft drinks that were not fully consumed on flights.

Taken together, that project recovers approximately 2,000 liters a day (730,000 liters a year) of organic waste that is converted to biogas instead of being added to landfills. In addition, the unit recycles aluminum and the coffee grinds collected from Nespresso pods at the end of each flight. The cumulative effect of all this is that we have established a system for recycling 30–35% of all waste materials generated by Gate Gourmet Zurich's in-flight operations.

We track the impact monthly to amass yearly statistics on the unit's recycling activity.



Energy, climate change, and greenhouse gas (GHG) emissions

At gategroup, we provide energy-intensive services to customers who work in even more energy-intensive industries. In 2022, the vast majority of our direct GHG footprint came from fuel consumption for our vehicles as well as the electricity used at our production units. In an era when the world is demanding reduced reliance on non-renewable energy sources as one means of addressing the climate crisis, we recognize our obligation to participate in the transition to energy efficiency and renewable energy use. Therefore, as part of the ESG Framework, gategroup made a commitment to become a Net Zero business by 2050.

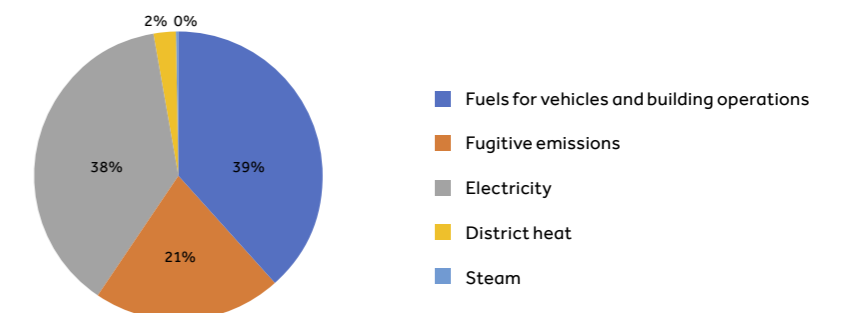
To arrive at this long-term goal, we will conduct a groupwide energy assessment by the end of 2023 to provide a foundation for creating an energy management strategy within 2024. Based on that, we will initiate concrete targeted measures, both quick-wins and initiatives requiring more considerable investments.

Having said that, we are already engaged in regional activities that reflect our commitment to intelligent management of our energy resources. Some of the examples of existing energy and GHG management efforts at gategroup include:

- In our units within Central Europe, various measures are being implemented, such as the replacement of conventional lights with LED lights, as well as heat recovery from dishwashers or refrigeration. Our Munich location installed a combined heat and power generating plant, while two units in Frankfurt initiated planning of similar installations.
- Our unit in Madrid was built in 2019 following the BREEAM standards expectations and included energy efficiency by design (read more on the following page).
- A rooftop solar panel installation at our unit in Hong Kong is generating power and revenue for gategroup. The installation included adding enhanced insulation to the base of the roof, which improves heat insulation and so allows for reduced dependence on air conditioning. The company has also replaced old water boilers with energy-efficient models and has a policy of requiring the purchase of energy-saving equipment when any item must be replaced. It is a participant of the Airport Authority HK Carbon Reduction Program.
- New employees at our units in Brazil and Colombia receive awareness training on sustainability to help sensitize them to the importance of environmental practices.
- Our brand deSter has been electrifying its production machines, vehicles, and heating and cooling installations to reduce its Scope 1 emissions. In parallel, it has been making investments in gradually renewing machinery to increase energy efficiency and lower Scope 2 emissions.

As we work on developing actionable steps for implementation of the ESG Framework, these local projects allow us to test existing best practices and identify the options for broader rollout across the group.

FY 2022 Scope 1 and Scope 2 CO₂e emissions (in 1,000 tons)



Transition to alternative drive vehicles in Scandinavia

In 2022, gategroup's Scandinavian locations committed to transitioning their high-loader trucks from fossil-derived diesel to biodiesel. As part of this shift, the trucks now carry BIODIESEL stickers to promote the practice.

Biodiesel is a type of fuel made from renewable sources such as vegetable oils or animal fats, and it can significantly reduce carbon dioxide (CO₂) emissions compared to traditional diesel. The switch to biodiesel can reduce our transport CO₂ footprint by up to 90%, and it also causes a substantial reduction in particle and smoke emissions from trucks.

This move toward biodiesel is part of the organization's commitment to sustainability and improving airport air quality.



Our flagship unit in Madrid

Conservation measures implemented at our Madrid catering facility demonstrate how sustainability principles can be integral to new building design and construction. The unit was built and certified according to the BREEAM principles, and its architecture and central processes were developed to reduce water use and waste, promote energy efficiency, and decrease consumption of chemicals. Interiors and offices offer ample natural light, and we measure air, water, light, and temperature quality to maintain a pleasant and energy-efficient work environment.

Solar panels power the heating of water used in showers and sinks. Steam produced by dishwashers is recovered and redirected to raise the temperature of washing water. Sensors on dishwasher belts detect items that need to be cleaned and prevent water and cleaners from being used where they are not needed.

The unit has a building management system that provides unit-wide real-time monitoring of temperature, as well as water and electricity consumption to enable correction of deviations and assisting in managing and improving the energy efficiency of the building.

The building opened in 2019, and some sustainability investments (such as installation of photovoltaic panels on the entire roof) were deferred due to the start of the Covid pandemic. We therefore see opportunities to further improve the facility's GHG savings and operating performance.



Social matters at gategroup

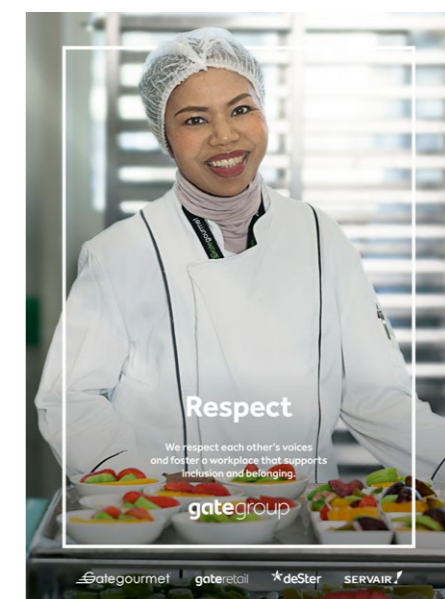
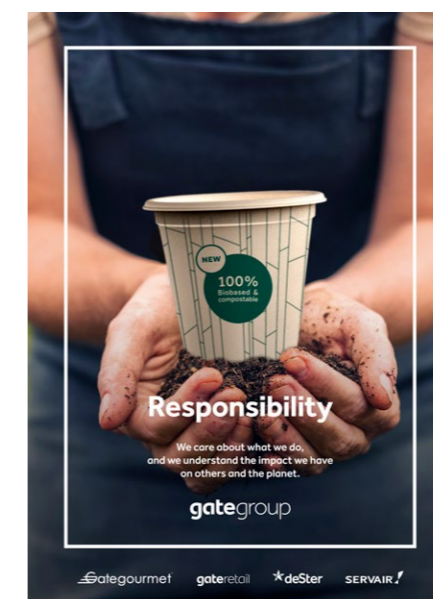
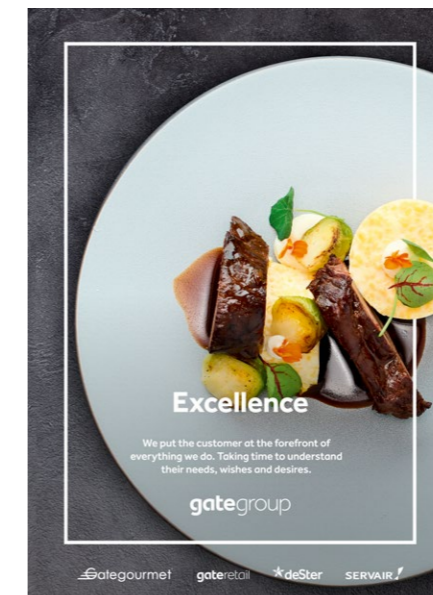
Treating people fairly

- OUR PEOPLE
- DIVERSITY, EQUITY, & INCLUSION (DE&I)
- OCCUPATIONAL HEALTH & SAFETY (OHS)
- COMMUNITY ENGAGEMENT

Our people

With ambitious goals in place for business expansion and acceleration of our ESG efforts, gategroup needs an industrious and motivated workforce. We see productivity and professional fulfillment as inseparable priorities. It is essential that our team members perform well and know we care about them, their well-being, and their career development.

Guided by our corporate values, Excellence, Passion, Responsibility, and Respect, we commit to creating a responsible and caring culture that supports our people and communities from the grassroots level. To that end, we strive to offer an environment in which people can be true to themselves and can count on receiving the support they need to be and do their best. This is one of our commitments as an employer and is a cornerstone of playing our part in maintaining a team that is fully engaged and invested in our shared objectives.



Learning and development opportunities

We aim to continually enhance gategroup's profile as a preferred employer and a company that invests in learning and career development opportunities. The unavoidable, considerable staffing losses we experienced during the Covid pandemic underscored the importance of this priority. While employee turnover challenges were exacerbated by drastic reductions in flight volume (total employee fluctuation was at 36.8% in 2022), we recognized the need to examine internal factors in turnover, as well. We therefore committed during 2022 to revisiting our approach to training and development as a core component of business continuity.

During the year, we increased frontline recruitment efforts to ensure that prospective employees understand the job they'll be taking on. We are working to update our employee orientation practices and to entrust new hire ambassadors with responsibility for welcoming and working with new team members during their first 90 days of employment and beyond.

Group-wide, we adopted a "back to basics" approach to supervisory and management training with a refreshed general management training program that reflects current market needs and business trends. Our orientation programs at all levels of the organization are undergoing similar updates.

Another facet of training has emerged with the expansion of our business lines: we have gained opportunities to provide cross-sectoral training. This positions us to give employees exposure to more diverse challenges, including those found through lateral moves that reflect individual team members' changing interests.



Employee representation

gategroup respects its employees' right to membership in a Union or in professional bodies at work. We encourage constructive dialogue and the opportunities for our workforce in this regard and work with employees and representatives in accordance with all country and local regulatory requirements or statutory frameworks.

We seek to work in partnership with our recognized Unions, Employer Federations and Workers Councils and value their contributions to our business and wider people agenda.

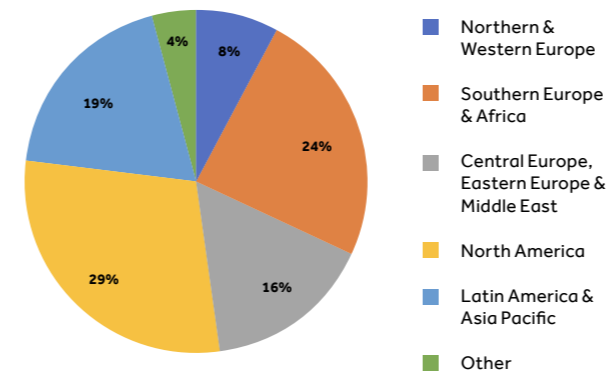
Diversity, equity, & inclusion (DE&I)

When we think about ways to nurture employee growth, our perspective is not limited to people in the early or middle stages of their careers. Diversity is a core strength at gategroup and encompasses all ages as well as every nationality, ethnicity, culture, religion, gender and gender identity, sexual orientation, or disability status. We believe that respect for human and labor rights is a fundamental component of gategroup's values and business principles. This is therefore formalized in both our group-wide Code of Conduct and the global policy on Human Rights and Labor Rights.

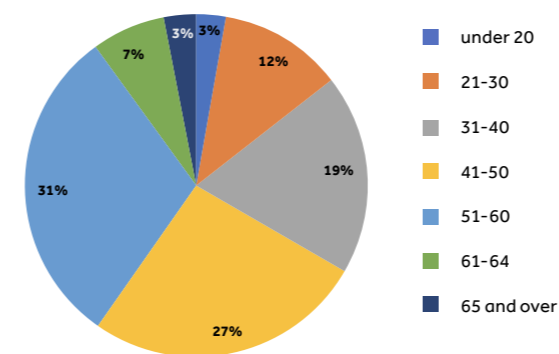
The first step toward achieving our ambitions in the areas of DE&I and wellbeing is a DE&I awareness campaign at all levels that we will roll out group-wide by the end of 2023. In parallel to that, we intend to establish a framework to recognize, support, and uplift the diversity and communities within our organization by end of year 2025.

One demonstration of our dedication to gender equity and to providing leadership role models for our women employees was already accomplished during early 2023. We are pleased to have welcomed Chief People Officer Jeanette Hron and Chief Legal Officer Angela Petzold Theiler to our Executive Management Board. Their presence on the EMB brings women's representation on this management body to 29%, and we look forward to building on that progress as our ESG programs gain momentum.

Employees by business region (as % of total FTEs)



Employees age by decade



Celebration of diversity at our San Francisco unit

The city of San Francisco has always celebrated diversity. In that spirit, the members of gategroup's local team have grown closer by sharing their cultural heritage and culinary traditions at monthly employee-driven events. Small gestures can have a great impact. That's what happened in February 2021 when Alice Warrick, the head of HR at the San Francisco unit, decided to display a Black History Month poster in the building's cafeteria. Soon after, employees began suggesting ideas for a monthly rotation of posters that shared information about a wide variety of cultures and holidays.

The next step came naturally to a culinary company: luncheons at the employee cafeteria that put the spotlight on diverse cuisines and introduced everyone on staff to new foods and flavors. Once a month, the team shares a meal and conversation that teaches everyone a little more about the world and about welcoming colleagues for who they are and what's important to them.

By now a standing practice, an employee whose ancestry is represented by those meals explains the significance of the food and the customs around the meal. Sometimes, it turns out that there is an overlap in recipes from distant cultures, and employees are delighted when they discover that colleagues share a taste for certain foods whose appeal transcends borders.

The monthly celebrations have not been formalized because spontaneity is part of what keeps employees engaged and active in the planning. Staff members who want to celebrate a certain culture volunteer to put information together for each month's poster display. Everyone learns a little more about the world each month. They share a meal and conversation, and the result is a homegrown, grassroots means of accepting people for who they are and what's important to them.

The result is that colleagues now have a stronger sense of personal connection that supports optimal team performance.



Inclusivity at our Zurich unit

At gategroup, we define prosperity not just by how well our company performs, but also by how much we can contribute to improving the prospects of our employees and the communities in which we operate.

For the past 15 years, [gategroup has partnered with Foundation Wisli](#) to employ people at our Zurich unit who face special challenges in the labor market. Participants in the program need time and support to establish (or reestablish) their employability within the parameters of a disability that has been an impediment to holding a job.

The goal of this program is to promote their reintegration into the workforce and help to restore their financial self-sufficiency. We cultivate their skills until they qualify for permanent full-time employment at gategroup or elsewhere in the local job market. It's always rewarding to see program participants assume progressively more responsible duties and advance to new roles as their abilities and self-confidence increase.

Since the start of this collaboration, over 220 persons participated in this initiative. Of those, 8 employees joined gategroup permanently and 52 were successfully integrated by other companies. We had a total of 42 people enrolled in the program during 2022.



Occupational health & safety (OHS)

Preventing accidents and promoting the safety of our people are paramount to running our business. We encourage all our colleagues to be actively involved in maintaining and improving the culture of safety, wherever we operate. We acknowledge the critical importance of good management and good working practices, and we require full co-operation between all stakeholders to continually improve our OHS performance.

A global Health and Safety program guides the required processes to be in place at each unit and spells out respective responsibilities on a regional, unit, and team level.

Nevertheless, during 2022, 1,756 incidents involving personal injuries happened across our global operations.



One of our clear goals in the ESG Framework is the ambition to have in place an accountable, zero-incident culture. To achieve this, we will work continually on implementing necessary steps to reduce preventable personnel incidents by 50% by 2030 as compared to the 2022 baseline. As the immediate first steps, we are committed to assessing the root causes of personal incidents that happen and creating a clear roadmap for improvement by 2025. This will include the development of additional internal procedures, training, and internal auditing tools to identify specific areas for improvement.



Community engagement

Both on the corporate level and at the individual units, gategroup has been an active part of its hosting communities.

As a culinary company, we have always felt a calling during times of humanitarian crisis to provide sustenance to people in need. During 2022, gategroup joined in efforts coordinated by the Swiss NGO Cuisine sans frontières (Kitchens without Borders) at the outset of Russia's invasion of Ukraine. We are proud to have been among the first responders providing meals to Ukrainian refugees who sought safety in Romania.

Our collaboration with Cuisine sans frontières extends from Eastern Europe to South America, where since 2019 we have provided new employment skills and state-recognized professional certification to indigenous peoples in Ecuador.

We are proud to participate in programs that offer displaced people a chance to regain their ability to provide for themselves and their families. Those complementary areas of social focus played a prominent role throughout 2022 in gategroup's work serving communities across the globe.

In the United States, gategroup continued its hiring outreach to refugees who resettled in the country from Afghanistan. As a partner of the Tent Partnership for Refugees in the U.S., we committed in 2022 to hiring 1,000 refugees in the country over three years. The program launched in 2021 and resulted in 92 hires over its first three months. At the time of this report's publication, almost 780 refugees have been brought on board across our U.S. locations, 90% of them from Afghanistan.



As part of the launched ESG Framework efforts, we are working on creating a group-wide community engagement strategy to foster social impact in our locations under the overarching theme of food and local communities. For the coming two years, we set the goals for each business region to:

- identify and support at least one employee-selected local community project by 2024 and start measuring social contribution metrics by 2025;
- engage with our host communities to provide good work opportunities and a sustainable path for professional growth.

Governance matters at gategroup

Behaving responsibly

- TRANSPARENT GOVERNANCE
- RESPONSIBLE SUPPLY CHAIN MANAGEMENT
- PRODUCT STEWARDSHIP AND INNOVATION

Transparent governance

Corporate governance

Gategroup Holding AG (the "Company" or "gategroup") and its subsidiaries (together the "Group") are committed to a high standard of corporate governance.

The principles and rules of corporate governance practiced by gategroup are laid down in the Articles of Incorporation, the Organizational Regulations of the Board of Directors, and the Charters of the Board Committees. These are reviewed regularly by the Board of Directors (the "Board") and adapted as needed. Read more on the [Corporate Governance page](#) on our website.

Compliance framework

gategroup has established, communicated, and trained our employees on a wide array of policies that have been developed and issued on a risk-based methodology. Among others, those policies include internal regulations on anti-corruption (including anti-bribery), competition law, environmental topics and various documents related to data privacy. In 2022, gategroup rolled out new trainings on information security, data protection, and competition law.

To actively manage Governance, Compliance and Risk within gategroup, the Company has established a Global Risk and Compliance Committee (GRCC), which meets quarterly and consists of gategroup's Executive Management Board and additional subject matter experts. The GRCC is chaired by the Chief Legal Officer. In addition, Regional Risk and Compliance Committees (BRCC) are established for each region/business unit, which meet prior to the GRCC. The most relevant topics and findings of the BRCCs are then presented and discussed at the following GRCC.

The Compliance Framework is regularly audited by Internal Audit as part of its standard audit program. Results are presented to the GRCC for discussion and decision on specific and general remediation actions.



Whistleblower program - SpeakUp

We maintain a whistleblower system, Speak-Up line, which is [accessible via the internet](#) and toll-free telephone lines.

This system follows the applicable regulations, e.g., the EU Whistleblowing directive and its national implementations. gategroup actively promotes the system through various channels across the group, and it is frequently used by gategroup's employees to report issues. The cases are typically handled at the regional level, with quarterly reporting to gategroup's GRCC.

Corporate Risk Management

gategroup is committed to a systematic and comprehensive approach to the effective management of potential opportunities and adverse effects by achieving best practice in strategic risk management. gategroup encourages intelligent risk-taking and recognizes that risks can have both positive and negative consequences.

The scope of Corporate Risk Management includes, but is not limited to:

- Identification, assessment, and treatment of strategic risks,
- Periodic risk monitoring and review,
- Risk communication and reporting.

The annual risk management cycle is in place, executed with the involvement of all concerned Risk Owners and coordinated by Corporate Risk Management.

Currently, registers are under development for the following risk categories: Strategic, Aviation, Food Services, Retail, Commercial, IT, Procurement, People, and ESG.

gategroup's risk management system is aligned with the ISO31000:2009 Risk Management Standard and supported by an ongoing program of education and training.

Food safety

Along with ensuring Occupational Health and Safety for gategroup's employees, leased and third-party personnel, impeccable food safety practices count as another must in our business. The internal standard we have in place ensures compliance with local legislation and IFSA World Food Safety Guidelines and mirrors the ISO 22000 food safety management system framework.

A global Quality and Food Safety Policy spells out processes and responsibilities within gategroup. A preventative system based on HACCP (Hazard Analysis Critical Control Point) principles is in place at every production unit to ensure control over all activities related to the preparation and distribution of our food catering products. Training is mandatory for all relevant employees: new employees go through onboarding training, and all employees complete an annual refresher.

An external auditor performs an annual audit of our processes using a certified ISO 22000 Lead Auditor. Health authorities/inspectors provide additional verification audits against food legislation, and our customers and other certifying bodies (where applicable) provide supplementary verifications against customers' and certification standards, respectively.

Responsible supply chain management

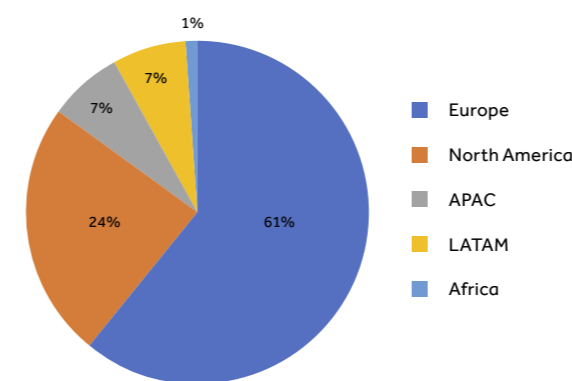
gategroup counts logistics, procurement, and supply chain management among its core strengths. During 2022, we continued to augment the capabilities of our central trading procurement houses in Paris (France), Luxembourg and Reston, Virginia (USA), which are responsible for oversight of our Food and Beverage supplier network throughout Europe and North America.

Across more than 200 operating units in over 60 countries and territories, gategroup's team serves more than 520 million airline passengers each year. Meeting that scope and volume of demand requires the support of a vast supply chain network. In 2022, gategroup purchased a wide variety of products and services at its units around the globe from more than 12,000 suppliers. The majority are food and beverage manufacturers and global consumer goods brands or wholesalers specialized in the food service market with mainly local delivery reach.

Long-term partnerships are the backbone of our operating model, and these collaborations enable us to maintain our commitment to providing locally sourced and sustainably packaged gastronomic experiences that reflect our customers' brand identities and culinary roots. The majority of our direct material products are locally sourced (85% in 2022), and we are working to increase this share.

The gategroup Supplier Code of Conduct (SCoC) and General Terms and Conditions are incorporated into all supply agreements. As of 2023, we will inform suppliers of our expectation that they will comply with these standards and principles in all their gategroup-related dealings. The new SCoC was implemented at the end of 2022 and published on our website in English, French, German, Portuguese, and Spanish.

Purchase volume by geographic region



Before entering a supplier relationship, the procurement team may visit potential new suppliers and inspect their management capabilities to assess potential risks and identify opportunities for improvement. If deficiencies are found, we require the suppliers to take corrective and preventive actions before we begin any active business relationship. A candidate that fails to meet the requirements will not be accepted as a gategroup supplier.

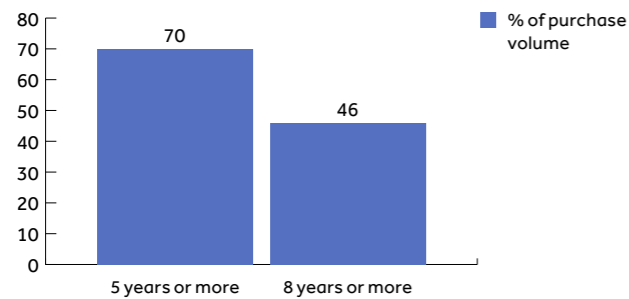
In early 2023, we launched an initiative to review the supplier base for financial, legal, reputation, and operations risks, as well as those on environmental, human and labor rights, and governance issues. This augments gategroup's existing process to enable us to manage our supply chain risks accordingly.

In August 2022, gategroup made a global commitment to purchase 100% of its egg products (shell egg, liquid egg, and mixes containing more than 80% egg) from cage-free chickens by 2025. As we are working on transitioning our supply chain to meet this commitment, we realize that this is just the first step of many on our journey to progressively instill better animal welfare considerations into our purchasing practices.

To advance further toward our objectives, gategroup's ESG Framework 2025 includes the target of gaining transparency on the sustainability performance of our Tier 1 suppliers (who cover 70% of our procurement spend) by the end of 2025. Our long-term ambition is to develop a transparent and audited responsible group supply chain by 2040.



Supplier relationships

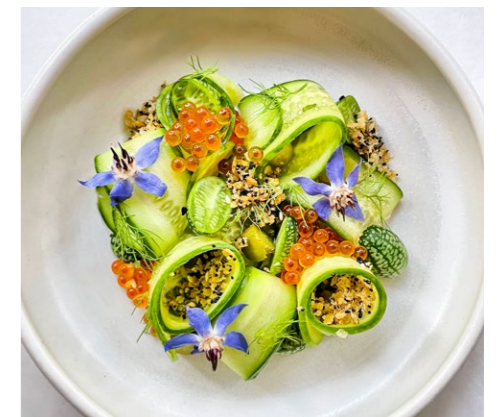


Product stewardship and innovation

Many companies seek to distinguish themselves through innovation. But at gategroup, product innovation must create brand distinctions not only for our company, but also for our customers. Their reputations and their success in winning repeat business depend in part on the quality of passengers' on-board dining experiences. We take pride in developing menus that make travel more pleasurable and support our customers' ability to meet their customers' expectations.

To achieve that goal, we monitor culinary trends, from increased interest in authentic local cooking to demand for a greater variety of vegetarian and vegan meal options. Our chefs and kitchen crews then take innovation a step further by creating customized solutions that reflect cultural customs or geographical food traditions. With each new culinary success, we make getting to a destination part of experiencing that destination.

The breadth of our global supply chain supports these initiatives by providing diverse sources of locally produced specialty and organic ingredients, often provided by small-scale farms or fisheries. And because we have long-standing relationships and engage in close collaborations with those suppliers, we are well positioned to ensure the impeccable quality and safety standards of each gategroup meal served.



We are confident that by continuing this course of innovative culinary product stewardship, we can build on gategroup's status as a sustainability-focused leader in the catering services industry.

Our performance targets include improving the animal welfare and emissions impact in our supply chain by offering hot dishes with plant protein in 50% of our newly designed menus by 2025. In addition, we have set a goal of eliminating single-use plastics in our product offerings and replacing them with 100% reusable, recyclable, or compostable packaging by the end of 2025.

Our external partners and initiatives supported

OUR PARTNERS

gategroup works with a number of external organizations to help us drive the agenda on sustainable development.

Organization		Description
LEVER FOUNDATION		gategroup is working together with Lever Foundation and the Humane League (non-profit organizations based out of the UK and the US, respectively) to improve animal welfare standards in our supply chain.
THE HUMANE LEAGUE		
CUISINE SANS FRONTIÈRES		Since 2019, gategroup has supported projects of Cuisine sans frontières (Kitchens without Borders), a Swiss-based NGO that, in cooperation with local partnering organizations, builds gastronomic meeting places and training facilities in areas of (social) conflict.
AIRLINE CATERING ASSOCIATION (ACA)		gategroup is a founding member of the ACA and engages with it as a platform for cooperation among the operators in the airline catering industry on topics relevant to human, economic, and social development globally and regionally.

PARTICIPATION IN EXTERNAL INITIATIVES

Organization		Description
UN GLOBAL COMPACT (UNGC)		Since 2022, gategroup has been committed to the UN Global Compact corporate responsibility initiative and its principles in the areas of human rights, labor, environment, and anti-corruption.

About this report

This report covers the period from 1 January to 31 December 2022. In the following years, we will continually expand the scope of the sustainability data that we collect and record, with the goal of aligning ESG reporting with international best practice standards. The list of entities included in this ESG report follows the list of affiliated group companies disclosed in the [Annual Report, section Group Companies](#).

Scope of data collection and reporting

Operating control basis was applied for data collection and reporting on all indicators.

Environmental performance indicators

Due to the dramatic reduction in business volumes during 2020-2021 as a result of the COVID pandemic, only the 2019 and 2022 environmental figures are shown in this report to provide a more accurate reflection of gategroup's environmental footprint during normal business activity. As the business was still in the process of recovery at the end of 2022 and at the time of this report's publication, 2019 data was chosen to serve as a baseline for forward-looking targets.

In 2022, environmental data was collected from all production facilities of in-flight businesses of Gate Gourmet and Servair, as well as from production units of deSter. These cover over 80% of gategroup's total revenues. Operations of gateretail, other operating brands as well as back office facilities were excluded for this reporting period.

Due to insufficient data quality, certain production sites (i.e. at Monterey International Airport and Guadalajara International Airport, Mexico) were excluded from this report's data set. For a number of other locations, wherever incomplete data sets were provided, we made an extrapolation for 2019 or 2022 based on proxies (using either financial revenues or number of flights, where one or the other was meaningful).

Environmental indicators of production units under our brand Servair were collected from all locations in continental France or in oversea French territories. These entities collect and internally report information based on an October-September reporting cycle, and their indicators were consolidated accordingly.

Scope 1 and 2 calculations were done according to the Greenhouse Gas Protocol (GHG) Standard based on site-specific data for fuel consumed and utilities purchased.

Availability of Scope 3 information is currently limited to the business travel-related footprint of the group and excludes the related footprint of the entities operating under the Servair brand. We intend to conduct a detailed Scope 3 assessment and to publish data on further categories relevant for gategroup in the next reporting cycles.

Social performance indicators

Employee-related data and indicators are collected from and reported for all groupwide units. Only 2022 information is presented in this report, as it provides the best overview of the relevant data based on new unified global reporting systems.

A breakdown of employee demographics by gender is provided for the indicators where this information was provided by the employees and at this time does not include an overview regarding nonbinary/gender nonconforming individuals. We will include it in future reporting.

Gate Gourmet entities currently collect OHS information for injuries regardless of whether they resulted in lost working time. Therefore, as part of the group-wide Health and Safety indicators shown in this report, we refer to the Personal Injury Frequency Index (PIFI) and not the Lost Time Injury (LTI) rate. For the next reporting cycles, we will enhance our internal and external reporting with the information on LTI as well.

Environmental performance indicators

	Unit	2022	2019
Energy consumption			
Total energy consumption	MWh	650.875.7	909.172.9
Building operations fuel (<i>natural gas, heating diesel, liquid petroleum gas, propane, fuel oil</i>)	MWh	231.373.5	349.600.6
Vehicle fuel (<i>biodiesel, diesel, gasoline, liquid petroleum gas, petrol</i>)	MWh	165.814.1	212.124.4
Purchased electricity	MWh	225.801.6	307.648.0
Purchased heat	MWh	26.927.5	38.285.4
Purchased steam	MWh	958.9	1.514.4
Energy intensity (<i>total energy consumption per revenues</i>)	MWh / CHF million	168.0	183.2
GHG emissions (in CO₂e)			
Scope 1	1.000 tons	162.8	209.1
Fuels for vehicles and building operations	1.000 tons	123.8	167.8
Fugitive emissions	1.000 tons	38.9	41.3
Scope 2 (location and market based)	1.000 tons	75.3	103.3
Electricity (mix)	1.000 tons	70.5	96.3
District heat (non-renewable)	1.000 tons	4.7	5.2
Steam (non-renewable)	1.000 tons	-	1.7
Scope 3 (indirect emissions)	1.000 tons	3.4	n/a
Category 6: Business travel	1.000 tons	3.4	n/a
Total GHG emissions	1.000 tons	241.5	312.4
GHG emissions intensity (emissions per revenues)	1.000 tons / CHF million	0.062	0.063
Water consumption			
Total water consumption	m3	3.433.457.8	6.185.123.9
Waste and recycling			
Total waste	tons	172.933.6	209.699.4
Landfill and incineration	tons	120.644.3	131.013.2
Recycling	tons	52.289.3	78.686.2
Recycled waste as % of total waste	%	30.2	37.5

Social performance indicators (1/3)

	Unit	2022
Employees		
Employees (total)	headcount	38,082
	FTEs	36,662
Northern & Western Europe	FTEs	2,873
Southern Europe & Africa	FTEs	8,628
Central Europe, Eastern Europe & Middle East	FTEs	5,992
North America	FTEs	10,539
Latin America & Asia Pacific	FTEs	7,067
Other	FTEs	1,563
Gender breakdown		
Women employed (total)	headcount	15,399
	FTEs	14,645
	% of total FTEs	39.9
Women in lower & middle management	FTEs	600
	% of total FTEs in lower & middle management	34.28
Women in senior management	FTEs	77
	% of total FTEs in senior management	21.2
Women on the Executive Management Board (EMB)	FTEs	0
	% of EMB	0
Women on the Board of Directors	number	2
	% of total FTEs	22.2
Age breakdown		
Employees age by decade		
under 20	% of headcount	2.8
21-30	% of headcount	12.3
31-40	% of headcount	19.3
41-50	% of headcount	24.4
51-60	% of headcount	29.3
61-64	% of headcount	7.8
65 and over	% of headcount	4.1

Social performance indicators (2/3)





	Unit	2022
Employees (women) by decade		
under 20	% of headcount	2.7
21-30	% of headcount	12.5
31-40	% of headcount	19.0
41-50	% of headcount	25.5
51-60	% of headcount	28.2
61-64	% of headcount	7.6
65 and over	% of headcount	4.4
Employees (men) by decade		
under 20	% of headcount	2.3
21-30	% of headcount	12.2
31-40	% of headcount	19.6
41-50	% of headcount	23.8
51-60	% of headcount	30.2
61-64	% of headcount	7.9
65 and over	% of headcount	4.0
Employment type breakdown		
Part-time employees (total)	headcount	2,988
	% of headcount	7.8
Whereof women	headcount women	1,762
	% of headcount	4.6
Temporary employees (total)	headcount	1,482
	% of headcount	3.9
Whereof women	headcount women	634
	% of headcount women	42.8
New hires		
Total new hires	headcount	17,154
New hires, men	headcount	9,617
New hires, women	headcount	5,071

Social performance indicators (3/3)

	Unit	2022
New hires by age (decades)		
under 20	headcount	1,715
21-30	headcount	5,488
31-40	headcount	4,139
41-50	headcount	2,967
51-60	headcount	2,161
61-64	headcount	406
65 and over	headcount	278
Departures		
Total departures	headcount	13,120
Departures, men	headcount	7,409
Departures, women	headcount	5,711
Unwanted departures	% of total departures	81.0
Departures of employees by decade		
under 20	headcount	1,054
21-30	headcount	4,268
31-40	headcount	3,099
41-50	headcount	2,046
51-60	headcount	1,642
61-64	headcount	556
65 and over	headcount	455
Total employee fluctuation	%	36.8
Health and safety		
Total personal injuries	headcount	1,756
gategroup employees	headcount	1,608
Agency staff	headcount	114
Third Parties	headcount	34
Personal Injury Frequency Index (PIFI)	personal injuries per 1,000,000 worked hours	29.1

Our contributions to the UN SDGs

SDG	Our contribution
3 GOOD HEALTH AND WELL-BEING 	We deliver nutritious meals that nourish the body, appeal to the palate, and promote the benefits of eating fresh, healthy foods.
5 GENDER EQUALITY 	We are developing performance targets designed to promote continuous improvement in our record as an equal opportunity employer. Women's full participation at all levels of decision-making and leadership is a cornerstone of our ambition on DE&I and employee wellbeing. This supports our strategy for achieving success by leveraging the diverse talents and perspectives of everyone on our team.
8 DECENT WORK AND ECONOMIC GROWTH 	We recognize employee empowerment as a key contributor to meriting regard as an employer of choice. Our ongoing organizational development includes components designed to advance gategroup's record in providing a culture in which team members are valued, respected on their own terms, and provided opportunities to prosper and thrive.
9 INDUSTRY, INNOVATION AND INFRASTRUCTURE 	Our investments in product stewardship and innovation support our customers' and our own targets for sustainable economic growth and a reduced carbon footprint. Our strategy includes using emerging technologies to anticipate and meet the evolving needs of our customers and the communities we serve.
12 RESPONSIBLE CONSUMPTION AND PRODUCTION 	Components of our ESG Framework include setting targets to reduce waste, conserve energy and water, and transition to circular solutions. We collaborate with customers to educate and encourage sustainable end-consumer choices.

SDG	Our contribution
13 CLIMATE ACTION 	As an active member of industry and cross-sectoral advocacy organizations, gategroup works on behalf of regulatory changes that enable improved environmental practice. Our approach to climate action encompasses internal and global initiatives.
14 LIFE BELOW WATER 	We have targeted eliminating single-use plastics from our products by 2025 and achieving a 50% reduction in waste going to landfill or incineration by 2040. These goals support preservation of marine life and ecosystems.
15 LIFE ON LAND 	Goals established in gategroup's ESG Framework include minimizing food waste in our kitchens and transitioning to a model that optimizes use of upcycling, composting, and circular solutions. These steps play an essential role in the conservation of land and natural resources.
16 PEACE, JUSTICE AND STRONG INSTITUTIONS 	<p>gategroup respects employees' right to organize unions or professional bodies and to be afforded human rights and labor protections. We collaborate with stakeholders across our value chain to achieve shared goals.</p> <p>gategroup is a participant of the UNGC and, since 2023, a member of the UNGC's Swiss chapter's working group "Sustainable Supply Chains".</p>

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