TCFD Report

Taskforce on Climate-related Financial Disclosures (TCFD) Report

Contents

DO & CO | THE GOURMET ENTERTAINMENT COMPANY

Introductory Statement

This report provides insights into DO & CO and its affiliates, outlining business and environmental challenges that significantly affect the company, its employees, and strategic partners. It also highlights areas where DO & CO has a unique opportunity to make a meaningful impact. Content and data for this report were contributed by the business units and operational divisions.

Statements regarding DO & CO's objectives, plans, goals, targets, and commitments are aspirational in nature. Data, statistics, and metrics included in this report, including those supporting the objectives and commitments, are estimates that:

- Are not audited by a third-party accounting firm.
- Continue to evolve.
- Are based on assumptions deemed reasonable at the time of preparation but may be subject to revision; and
- May rely on developing standards that could change in the future.

The annual data presented in this report covers the fiscal year 2023/2024 (April 1, 2023, to March 31, 2024), unless otherwise stated. This report reflects the current policy and intent but does not create any regulatory rights or obligations.

The following report has been prepared in alignment with the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD).

This document uses terms such as "material" or "materiality." These terms should not be interpreted as defined under securities or other laws or as used in the context of financial statements or reporting required by applicable laws and regulations. The inclusion or omission of information in this report does not represent DO & CO's view of the materiality or financial impact of that information.

For more information about the business, including risks that could materially affect internal operations, financial condition, and results, please refer to the group's latest Annual Report under https://www.doco.com/Portals/8/dokumente/en/Hauptversammlung/2024/CSR-Report_EN_FY2324.pdf.

1. Introduction

Sustainability is a core pillar at DO & CO of the operational framework. The company strategically prioritizes key areas, including emissions reduction, waste management, sustainable sourcing, customer well-being, and employee development. These efforts have delivered meaningful outcomes, and we remain committed to continuous improvement.

This report adheres to the recommendations of the TCFD and is structured around the following core elements:

- Governance
- Strategy and risk management
- Metrics and targets
- Summary

Additionally, a comprehensive Climate Transition Plan to address climate-related risks and opportunities systematically is being developed. This plan aims to:

1. Assess climate-related risks and opportunities using a structured methodology
2. Understand the scale and financial implications of climate risks for DO & CO
3. Evaluate climate impacts on the supply chain and identify areas of heightened vulnerability.

To ensure robust analysis, DO & CO adopts a long-term perspective, evaluating risks and opportunities over short- (0–1 years), medium- (1–5 years), and long-term (5–10 years) horizons. Leveraging climate scenarios outlined by the Intergovernmental Panel on Climate Change (IPCC), we have conducted a Climate Risk and Vulnerability Assessment across most of the locations. This assessment incorporates Representative Concentration Pathway (RCP) scenarios 2.6, 4.5, 6.0, and 8.5, enabling us to pinpoint critical risks and better understand their financial and operational implications.

In alignment with the 2016 Paris Agreement goal of limiting global temperature increases to 1.5°C, DO & CO joined the Science Based Targets initiative (SBTi) in 2023, with its targets approved in 2024. This commitment underscores the dedication to addressing climate change, which poses multifaceted challenges and opportunities, affecting the company's supply chain, operations, financial performance, and reputation.

By proactively addressing climate risks, embracing sustainable practices, and seizing market opportunities, DO & CO is navigating the complexities of a changing climate while creating long-term value for stakeholders. As part of this effort, we are implementing advanced software solutions to refine the methodologies, enabling the company to remain adaptive and forward-looking in the sustainability journey.

This document outlines the potential impacts of climate change scenarios on business operations and details the strategic responses to mitigate risks, build resilience, and capture opportunities. Understanding of climate-related challenges continues to evolve and how DO & CO adapts plans and strategies accordingly to remain effective and aligned with the long-term goals.

DO & CO recognises the complex and important connection between food systems and the planet's health. Recognising the risk of climate change to the business and creating opportunities to ensure a strong business as well as a strong planet is crucial for extending the quality without compromising our planet.

2. Governance

DO & CO is committed to achieving sustainability excellence by integrating its principles into all aspects of organizational operations. This approach drives continuous advancement toward ambitious objectives.

Board-Level Accountability

The Sustainability Department defines DO & CO's sustainability roadmap in close collaboration with the Management Board, which maintains commitment for operationalizing initiatives that mitigate climate, societal, and governance risks. The C-level of the management board stipulates a dedicated responsibility for Environmental, Social and Governance (ESG) aspects, which is assigned to a management board member. DO & CO has a designated ESG responsibility at the C-level on the Management Board. All sustainability efforts are aligned with the business unit leaders in a co-creational approach.

The Management Board receives periodic, tailored reports on progress, key sustainability issues as well as climate-related risks and opportunities. The centralised Sustainability Department plays a critical role in implementing and executing the roadmap, reflecting DO & CO's commitment to driving the ESG agenda both internally and externally across its three divisions.

Group-Level Accountability

Corporate governance effectiveness is enhanced by the integration of ESG-specific topics into Management Board meetings. The Management Board convenes regularly to assess ESG-related risks, opportunities, strategy, and regulatory developments. The Management Board's remuneration policy incorporates both fixed and variable components, ensuring an appropriate balance between financial performance incentives and the recognition of non-financial achievements, including in ESG areas.

Capital Markets

Since April 2023, DO & CO has been listed on the Sustainability Index of Borsa Istanbul, enabling the company to align its capital market presence with its sustainability objectives. By prioritizing strong governance and showcasing leadership in the capital markets, DO & CO is advancing its commitment to a sustainable future while creating long-term value for its stakeholders.

DO & CO's climate strategy has been strengthened through alignment with the EU-Taxonomy, which offers a valuable framework for enhancing TCFD reporting by standardizing the classification of sustainable economic activities. This alignment has improved the transparency and consistency of DO & CO's climate-related disclosures, reflecting its commitment to sustainability while enabling the effective identification and management of climate-related risks and opportunities. Although rooted in Europe, the EU-Taxonomy's principles serve as a global benchmark for climate reporting, providing a solid foundation for data collection, analysis, and disclosure. By adopting this approach, key benefits have been unlocked, including increased investor confidence and reduced regulatory risk.

The EU-Taxonomy framework has also supported the efforts in identifying climate risks and conducting vulnerability assessments. Specifically, reporting on climate risk assessments for chronic and acute physical risks across the majority of the units has been instrumental in evaluating and understanding the implications of different climate scenarios based on RCP pathways. A comprehensive materiality assessment can be found in the Risks and Opportunities chapter under chapter 4 and chapter 5.

3. Strategy

DO & CO’s mission goes beyond creating exquisite cuisine. Across its Airline Catering, International Event Catering, and Restaurants, Lounges & Hotels divisions, the company continuously strives to set new standards of quality, innovation, and sustainability for its respective people.

- **Airline Catering**: By providing high-quality products and services, DO & CO aims to be the premium supplier with a distinctive selection of cuisines, while building sustainable partnerships to meet evolving industry demands.
- **Event Catering**: DO & CO’s goal is to enhance its role as a one-stop premium partner, delivering unparalleled culinary excellence and bespoke experiences.
- **Restaurants, Lounges & Hotels**: With a focus on quality, innovation, and leveraging its strong brand, DO & CO consistently aims to exceed customer expectations.

At the heart of its strategy is an unwavering commitment to premium quality, customer satisfaction, employee empowerment and sustainability. By embracing innovation and maintaining flexibility, while leveraging longstanding traditional values, DO & CO differentiates from competitors while fostering continuous improvement.

Commitment to Environmental and Social Responsibility

As a global leader in gourmet entertainment, DO & CO recognizes its impact on the environment and society by building strong partnerships, providing a supportive work environment, and adopting responsible environmental practices. The company’s strategy integrates market trends to achieve sustainable growth, balancing financial success with environmental and social responsibility. This alignment not only creates long-term value for stakeholders but also allows positive contribution to global sustainability goals.

A Legacy of Excellence and Innovation

DO & CO, known as "The Gourmet Entertainment Company," curates bespoke experiences defined by premium, additive-free ingredients and personalized service. Its relentless pursuit of excellence transforms ordinary moments into extraordinary culinary encounters, setting the standard for gourmet entertainment.

Innovation, quality, and people are the foundational pillars of DO & CO, shaping a unique customer experience synonymous with excellence and ensuring sustainable growth.

Driving Sustainability Forward

In the past year, DO & CO has made significant strides in aligning with the international ESG agenda and advancing its journey toward Net Zero. With validated targets from the SBTi, the group's commitment to reducing the environmental impact of its operations have been finalized. In addition to that, DO & CO's policies are annually evaluated and refined to ensure alignment with company-wide ambitious climate goals. These policies are not only instrumental in guiding internal efforts but also demonstrating dedication to sustainability across the industry.

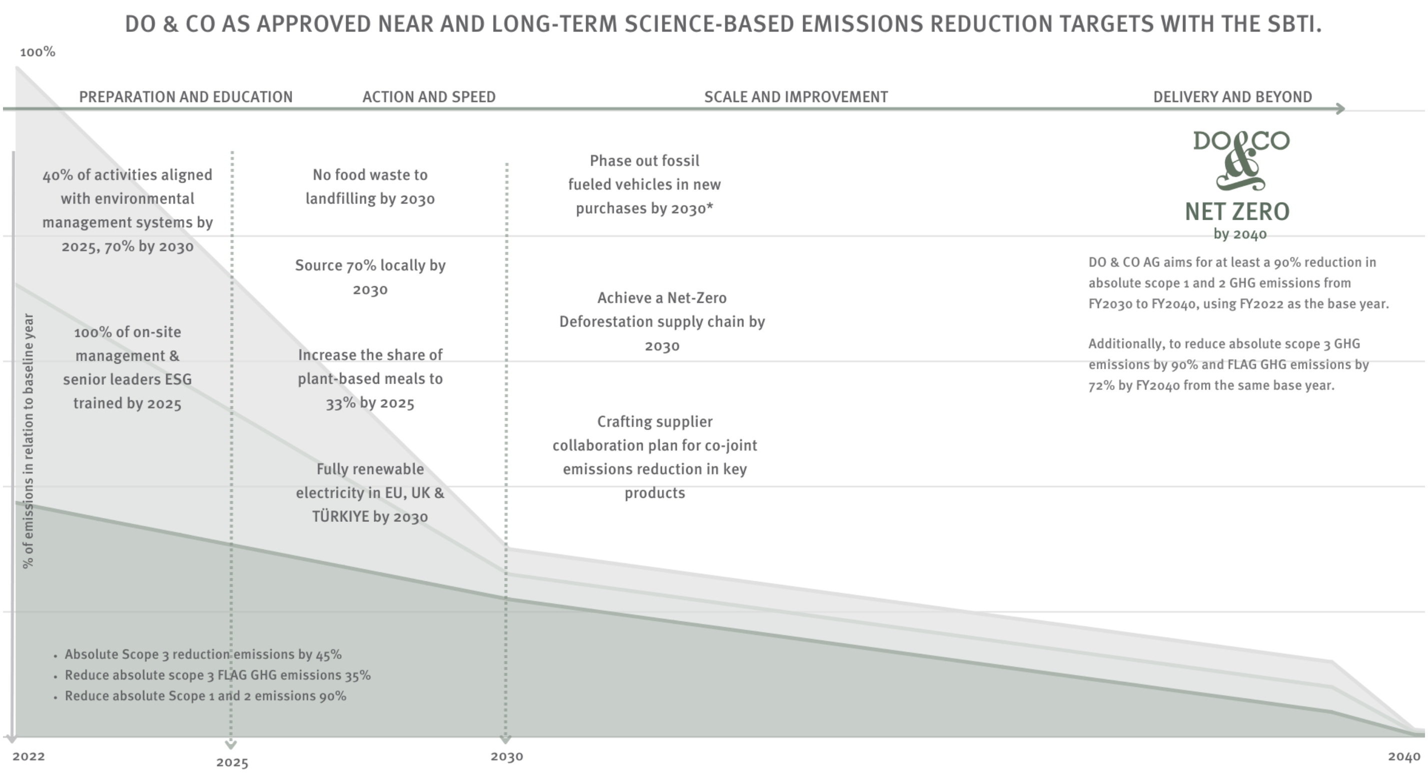

*Figure 1 Image presents the climate targets as validated by the SBTi | (*where feasible)*

Stakeholder engagement

All along DO & CO's journey towards net-zero, aligning with key sustainability frameworks and demonstrating commitment to this goal are paramount. To achieve this, prioritizing active stakeholder engagement is crucial. This includes gathering valuable input from internal teams, customers, investors, suppliers, and the communities where the group operates, as well as partnerships with non-profit organizations. Their collective feedback informs strategic priorities, goals, and policies.

DO & CO is proactive in engaging with its suppliers and customers to educate them on best practices in reducing their carbon footprint, minimizing plastic use, addressing deforestation concerns, and improving animal welfare. Internal teams have revised and strengthened the entity's Supplier Code of Conduct. Its Sustainable Sourcing Policy undergoes annual review to ensure its continued relevance and effectiveness.

Environmental Controls

Recognizing that improvement requires measurement, DO & CO is dedicated to enhancing its reporting software globally and optimizing the energy efficiency of its buildings and operating equipment locally. To achieve the sustainability goals outlined in the report of the financial year (FY) 2023/2024, a global certified and non-certified Environmental Management Systems (EMS) rollout throughout the group's units supported by the upgrading of the Building Energy Management Systems (BEMS) are being implemented. These initiatives will lay the groundwork for accelerating greenhouse gas (GHG) emissions reduction and improving transparency across the operations.

Commitment and incentives

DO & CO is committed to ensuring that employees are offered incentives in accordance with relevant regulations and guidelines. The company focuses on fostering a supportive and rewarding environment, aiming to meet both legal standards and industry's best practices to drive performance and satisfaction.

Fixed annual remuneration reflects the complexity of each role, the scope of responsibilities, and market competitiveness, while variable remuneration is directly tied to the company's strategic objectives, including sustainability targets. The Supervisory Board annually sets financial and non-financial performance criteria, evaluating progress over short-term and long-term periods. This structured approach ensures accountability and drives alignment with DO & CO's climate transition plan.

A key aspect of the variable remuneration is its focus on ESG-related metrics, such as reducing GHG emissions, improving energy efficiency, and enhancing resource management. These criteria are integral to achieving DO & CO's net-zero targets by 2040. The implementation of these incentives has already led to tangible progress, including enhanced energy efficiency across operations, reductions in water usage, and the adoption of sustainable supply chain practices. By aligning executive incentive systems with the broader climate transition strategy, DO & CO ensures that environmental performance remains a central priority, reinforcing its commitment to long-term sustainability and corporate resilience.

This structured incentive framework not only reinforces accountability but also fosters a culture of continuous improvement in sustainability performance. Building on this momentum, DO & CO has defined a set of clear short-, medium-, and long-term sustainability targets at the group level in the fiscal year 2023/2024. These targets serve as a strategic roadmap, guiding the company's efforts toward measurable environmental progress and long-term corporate resilience.

ENVIRONMENT - GOAL

<table>
<tr><th>EMISSIONS</th><th>WASTE
& CIRCULARITY</th><th>SUSTAINABLE SOURCING</th></tr>
<tr><td colspan="2">40% of activities aligned with environmental management systems by 2025, 70% by 2030</td><td rowspan="2">Source 70% locally by 2030</td></tr>
<tr><td>Net Zero by 2040</td><td>Enhance our proprietary waste management solution's operational efficiency</td></tr>
<tr><td>Fully renewable electricity in EU, UK & TÜRKIYE by 2030</td><td rowspan="2">No food waste to landfilling by 2030</td><td rowspan="2">Audits to fully cover supply chain by 2030</td></tr>
<tr><td>Phase out fossil fueled vehicles in new purchases by 2030* *Where feasible</td></tr>
<tr><td rowspan="2">Monitoring and modelling to determine our demand for fresh water</td><td>No single-use plastic in our operations by 2030* *Where feasible within regulatory limits</td><td rowspan="2">Source meat/egg products only from gestation crate-free producers by 2030</td></tr>
<tr><td>Develop paperless processes</td></tr>
</table>

SOCIAL - GOALS

<table>
<tr><th colspan="4">CUSTOMER NUTRITION & WELLBEING</th></tr>
<tr><td>Continue to excel across all food safety audits</td><td>Share of plantbased meals at 33% by 2025</td><td>Collaborate with customers to develop sustainable and responsible menu options</td><td>Extend allergy control to all our meals by 2025</td></tr>
</table>

EMPLOYEE DEVELOPMENT & ENGAGEMENT			
100% of on-site management & senior leaders ESG trained by 2025	Monitor closely and investigate and reports of discrimination.	Increase learning and development opportunities through the DO & CO Academy by 2030	Transparency of all HR-related processes

GOVERNANCE - GOALS

DIVERSITY, INCLUSION & EQUITY			
Zero tolerance policy on discrimination, modern slavery, and child labour cases.	Achieve gender balance in management positions by 2030	Recruit a representative share of minorities within the countries where we operate by 2030	Ensure gender pay gap parity
100% of recruiters having undertaken non-discrimination training by 2025			

4. Scenario Analysis – Potential Transition & Physical Impact

Likelihood (Follow IPCC recommendations)	**Medium-High**	**Medium**	**Low**
Temperature Increase	1.5 °C *This scenario represents a relatively optimistic pathway, yet significant challenges persist. Water stress, heatwaves, and desertification are projected to intensify, with a 25% increase in exposure to flooding globally. These changes will jeopardize crop yields, heighten food insecurity, and accelerate biodiversity loss, potentially leading to the extinction of vulnerable species.*	2 – 2.5 °C *This scenario reflects a failure to achieve stringent emissions reductions. The consequences include more frequent maize production failures, exacerbating global food security risks. Rising sea levels will increasingly threaten coastal areas, while regions face alternating patterns of severe flooding and prolonged drought. Diverse and irregular weather conditions will disrupt ecosystems and agricultural systems, compounding vulnerabilities across industries.*	5 °C *A catastrophic trajectory with devastating consequences for natural and human systems. Prolonged and dangerously high heat levels will threaten public health, particularly in many of the regions where DO & CO operate. Chronic water shortages will become widespread, while disruptions to the global food supply and production chains will emerge as persistent norms, drastically reshaping economic and societal structures.*
Policy & Legal	• Nations worldwide adopt the Paris Agreement, guaranteeing that worldwide emissions remain within the mandated thresholds. • Implement carbon pricing mechanisms, such as carbon taxes or cap-and-trade systems, to encourage reductions in emissions and foster investment in low-carbon technologies. • Create and enforce regulations that encourage sustainable practices. • Growing demand for reporting proficiency leads to higher labour costs and the integration of new systems. • Increased compliance and detailed expectations at gov and customer levels.	• National climate action plans and policies are not aligned with the goals of the Paris Agreement. • Inadequate cooperation in developing comprehensive policies and legal frameworks essential for mitigating greenhouse gas emissions and adapting to the consequences of climate change. • Effective enforcement of existing climate-related policies and regulations has been lacking, rendering them ineffective. • The adoption of strong and inclusive carbon pricing mechanisms, such as carbon taxes or cap-and-trade systems, falls short or lacks sufficient coverage.	• Ineffective implementation of emission reduction policies. • Inadequate collaboration and coordination among nations to collectively address the problem. • Legal frameworks are insufficient in effectively tackling the climate crisis. • Existing legal frameworks fall short of effectively addressing the climate crisis. • Decreasing complexity and action fatigue. • Decreasing expertise in ESG KPI measurement.

Likelihood (Follow IPCC recommendations)	**Medium-High**	**Medium**	**Low**
Technology	• Investment in research and development to improve the efficiency and cost-effectiveness of renewable energy technologies. • Reduction in the utilisation of non-renewable energy sources. • Support for the development of energy storage solutions. • Investment in the advancement of CCS technologies to capture and store carbon emissions from power plants and industrial facilities. • High prices of fossil-fuelled energy, lead to increased shift to renewable, carbon-free energy. • Too slow adoption of renewable energy generation opportunities, e.g., solar power, increased need for immediate investments.	• Failure to successfully transition from fossil fuels to renewable energy sources at a scale necessary to significantly reduce greenhouse gas emissions. • Lack of achievement in the development and deployment of effective carbon capture technologies at the required scale. • Absence of widespread adoption of low-carbon transportation systems, such as electric vehicles (EVs) and advanced public transportation systems. • Limited progress in the adoption of climate-smart agriculture practices and sustainable land use.	• Failure in the development and deployment of effective carbon capture and storage technologies on a large scale. • Lack of transition from fossil fuels to renewable energy sources. • Inadequate implementation of energy efficiency measures. • Shortcomings in advancements of sustainable transportation technologies. • Deficiencies in advancements of sustainable transportation technologies. • Renewable energy uptake is slow and too expensive for scale. • The cost of energy is still a significant factor in overall operational expenses.
Market Shift	• Strong interest in sustainable food options and sustainable packaging for the complete product line-up • High preference for local, fresh, and minimally processed food. • Actively incorporating eco-friendly practices into their daily lives. • Customers shifting to caterers with even higher sustainability profiles. • Ensuring high-quality sustainable foods may affect prices.	• Lack of adoption of eco-friendly and sustainable consumption behaviours and habits. • Underestimation of the repercussions of climate change.	• The severity of the climate crisis fails to motivate consumers to opt for a sustainable way of living and consuming. • Failure to advocate for or support policies aimed at mitigating climate change. • Customers are maybe not so interested in the sustainable menu choices (that may come with a higher price tag) that customers shift to unsustainable, cheap suppliers. • Increased food prices and lower availability of certain foods.

Likelihood (Follow IPCC recommendations)	**Medium-High**	**Medium**	**Low**
Physical	• Increased frequency and intensity of heat waves, especially in urban areas. • Sea-level rise leads to coastal flooding and erosion, threatening low-lying areas and small island nations. • Changes in precipitation patterns potentially lead to more frequent droughts in some regions. • Disruption of ecosystems and loss of biodiversity, impacting ecosystem services and species survival.	• Further intensification of heatwaves leads to increased risks to human health and agriculture. • Accelerated melting of ice sheets, contributing to more substantial sea-level rise, and increased coastal flooding. • Changes in rainfall patterns potentially lead to more frequent and severe droughts and floods.	• Extreme heatwaves becoming more frequent, with severe implications for human health, agriculture, and ecosystems. • Substantial sea-level rise, resulting in widespread coastal flooding and displacement of populations. • Increased intensity and frequency of extreme weather events, including hurricanes, cyclones, and heavy rainfall. • Large-scale disruptions to ecosystems lead to widespread biodiversity loss and habitat destruction.
Impact on business based on this scenario	• Heightened risk of event cancellation due to severe weather • Escalated expenses associated with sourcing high-quality food. • Growing pressure on the aviation industry to lower emissions that impact internal operations and necessitate the adoption of more sustainable practices. • Changing consumer preferences favouring sustainable and low-carbon alternatives.	• Risks to food security, with impacts on crop productivity and changes in agricultural suitability in some regions. • Unable to source local products, issues with the supply of raw materials increase. • Extreme weather events, water scarcity, and changes in growing conditions can affect the availability and quality of ingredients.	• Severe impacts on global food production, with reduced yields, crop failures, and challenges to food security. • Unable to host outdoor events due to heat and weather risks. • Closure and uncertainty of certain events for periods due to weather. • Unable to source quality materials.
Mitigation based on impact	• Quantitatively defining the sustainability of the products. • Encouraging responsible consumption and production. • Ensuring transparency and accountability in sustainability reporting.	• Promoting environmental consciousness throughout the operations. • Seeking innovative solutions for sustainable development within the industry. • Participating in industry-wide sustainability initiatives. • Engaging with local communities to promote environmental awareness. • Collaborate with suppliers and partners to develop actionable robust sustainability strategies and policies.	• Develop innovative food procurement strategies. • Establish new operational protocols and discontinue. engagement with countries facing high climate-related risks. • Establish new benchmarks for food quality standards. • Collaborating with the supply chain to work on a common strategy.

5. Risks and Opportunities

In line with the company's journey towards Net Zero, approved by SBTi in July 2024, DO & CO has conducted a comprehensive materiality analysis to identify and address climate-related risks and opportunities. By aligning stakeholder interests with the sustainability strategy, 28 material topics across environmental stewardship, people values & social engagement, and governance & compliance were identified. To ensure a robust and inclusive process, DO & CO engaged with various stakeholders, including management, staff, customers, investors, and ESG rating agencies, through interviews, surveys, as well as further forms of engagement.

Materiality Assessment

The process to assess ESG issues begins with developing a comprehensive survey designed to identify key sustainability priorities internally, with a particular focus on climate-related aspects. The survey emphasizes Environmental concerns, such as the company's carbon footprint, energy efficiency, resource use, and alignment with climate change mitigation strategies, alongside social and governance challenges.

The questions were crafted following an in-depth analysis of industry standards, regulatory frameworks, and benchmarking of best practices. This ensures that climate change considerations are not only aligned with global trends but also tailored to the company's unique context. To enhance the survey's relevance, internal experts from diverse business lines – including General Management, Human Resources, Finance, Quality Management, Sustainability Management, IT, Procurement, and others – participated. These individuals bring specialized insights into how climate-related risks and opportunities intersect with their respective areas of responsibility.

A diverse group of internal experts and external stakeholders was thoughtfully chosen for their ability to offer valuable perspectives on DO & CO's environmental performance and overarching sustainability strategy. Internal experts bring a deep understanding of operational processes, corporate objectives, and organizational culture. Their firsthand experience is instrumental in identifying climate-related opportunities and challenges within the company, paving the way for tailored solutions to drive emissions reduction, energy transitions, and supply chain resilience.

External stakeholders, including clients, suppliers, investors, and others, were chosen based on their relevance to DO & CO's and their expertise in critical areas such as market trends, regulatory developments, and societal expectations. These stakeholders provide valuable insights into climate-driven market shifts, emerging sustainability innovations, and the broader implications of global climate commitments. Their involvement ensures that we remains aligned with external expectations and benefits from cross-sectoral best practices.

The survey process combined quantitative evaluations and qualitative insights. Participants were encouraged to assess the environmental impact, with a particular focus on climate-related risks, opportunities, and financial implications. This dual approach ensures a comprehensive understanding of the DO & CO's current position and potential areas for improvement in addressing climate change.

Key issues identified through the survey, listed below, were documented and analysed to inform strategic decisions. These issues encompassed both immediate environmental impacts and long-term sustainability challenges, with an emphasis on aligning the company's practices with global climate goals and emerging regulatory requirements. By involving a diverse range of internal and external voices, the process ensures a balanced, forward-thinking approach to ESG matters, positioning DO & CO as a leader in sustainable and climate-conscious operations.

- **T17 Food safety:** Compliance with the highest standards for food quality and hygiene standards to ensure the integrity of the products. High impact on both internal and external stakeholders, indicating a critical area for focus
- **T23 Compliance with environmental legislation:** Compliance with international declarations, conventions and treaties as well as national, regional and local requirements. High impact on both internal and external stakeholders, with important implications for regulations compliance.
- **T5 Packaging Waste:** Packaging resulting from production and procurement as well as retail packages. Particularly significant for external stakeholders, requiring attention to reduce environmental impact and meet customer expectations.
- **T6 Food Waste:** Waste from the preparation of food, rejects, spillage, overproduction or over-ordering. Particularly significant for external stakeholders, with implications for resource efficiency and brand reputation.
- **T15 Socially responsible:** Social criteria for suppliers referring to compliance with human rights, labour standards, measures against child and forced labour as well as the respecting of the rights of indigenous peoples. Significant for both internal and external stakeholders, for reducing carbon emissions and enhancing cooperation with local suppliers.

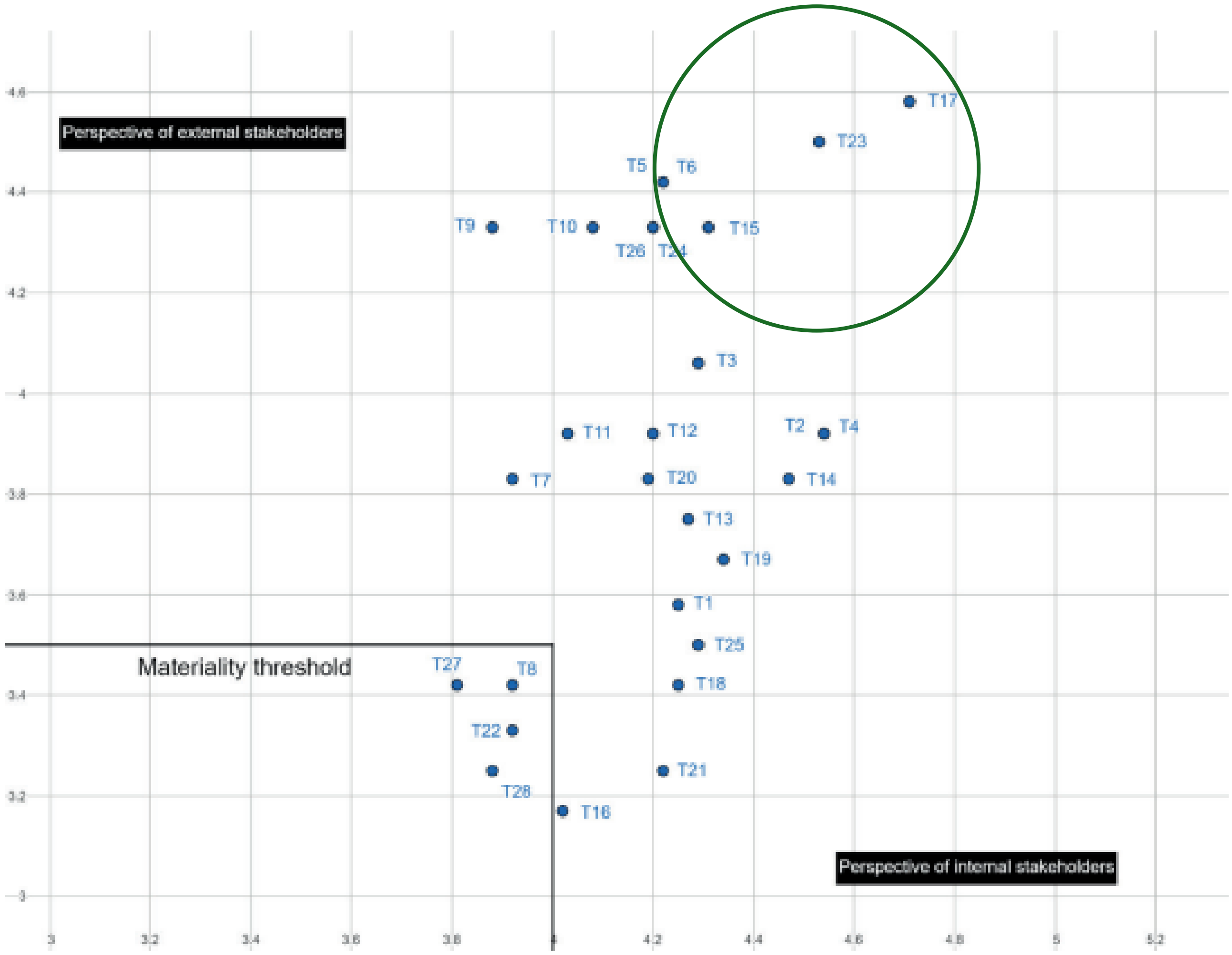

Figure 2 Mapping of material topics

MATERIALITY TOPIC	REFERENCE	GRI	SDG
Climate change	Chapter 1.1	305-1, 305-2, 305-4, 305-5	SDG 6 SDG 7 SDG 13 SDG 14 SDG 15
Energy consumption	Chapter 1.2	302-1, 302-3, 302-4	
Transport emissions	Chapter 1.2	302-1, 302-3, 302-4	
Emissions in the value chain	Chapter 1.2	302-1, 302-3, 302-4	
Packaging waste	Chapters 2.1 and 5.1	306-1, 306-2, 306-3	
Food waste	Chapters 2.1 and 5.1	306-1, 306-2, 306-3	
Water consumption	Chapter 3.1	303-3	
Biodiversity protection	not material	not applicable	not applicable
Enviromentally Friendly Sourcing	Chapter 4.1	not applicable	SDG 6 SDG 14 SDG 7 SDG 15 SDG 13
Sustainable packaging	Chapter 5.2	not applicable	
Labour Practices	Chapter 7.1	401-1	SDG 2 SDG 3 SDG 4 SDG 5 SDG 8 SDG 9 SDG 12
Occupational Health and Safety	Chapter 7.2	403-1, 403-2, 403-4, 403-5	
Diversity	Chapter 7.3	405-1	
Employee training and development	Chapter 7.4	404-1, 404-2	
Socially responsible sourcing	Chapter 8.1	414-1	
Indirect economic impact and local presence	Chapters 9.1 and 9.2	413-1, 413-2	
Food safety	Chapter 10.1	416-1, 416-2	
Security of guests	not material*	not applicable	not applicable
Healthy diet	Chapter 10.2	416-1, 416-2	SDG 2 SDG 8 SDG 3 SDG 9 SDG 4 SDG 12 SDG 5
Product labelling	Chapter 10.3	not applicable	
Diverse and inclusive meals	Chapter 10.3	not applicable	
Soft and hard impact of events	not material	not material	not applicable
Compliance with environmental legislation	Chapter 11.1	2-27	SDG 8 SDG 16 SDG 9 SDG 17 SDG 12
Anti-corruption	Chapter 11.2	205-1, 205-2, 205-1	
Anti-competitive conduct	not material	not material	not applicable
Data security and data protection	Chapter 11.3	418-1	SDG 8 SDG 16 SDG 9 SDG 17 SDG 12
Taxation and transparent finances	Chapter 11.4	207-1	
Expenses and investments for environmental protection	not material	not material	not applicable

Figure 3 Materiality topics prioritised and aligned with Sustainability Report Chapters and SDG and GRI

DO & CO has established a robust framework to identify, assess, and respond to climate-related risks and opportunities. Internally developed procedures are specifically tailored to prioritizing the unique needs by integrating environmental factors into a comprehensive Enterprise Risk Management Framework. The TCFD Risk framework has been incorporated into this structure, enabling us evaluation and prioritizing climate change risks and opportunities across short, medium, and long-term timeframes. This integration allows the management to pinpoint potential vulnerabilities and growth areas, ensuring that the company's strategies remain resilient and adaptable in a rapidly changing climate. To support this evaluation stage, leveraging climate risk analysis based on RCP scenarios and implementing an EMS across selected units is crucial. The Group Sustainability department conducts thorough assessments of dependencies and impacts that may affect risks and opportunities, utilizing both qualitative and quantitative analyses at local and global scales.

Oversight, guidance, and management of climate-related risks and opportunities are provided by the Management and Supervisory Boards, who actively review risk assessments and approve mitigation plans. DO & CO's ESG team conducts periodic reports and regular assessments to monitor progress, redefine climate-related risks and opportunities, and refine strategies. This ensures that actions are aligned with the latest climate science and market trends. The ESG team regularly provides the Management Board with updates on ESG performance, progress toward sustainability goals, regulatory developments, and internal projects. Additionally, the Management and Supervisory Boards hold regular meetings to discuss these aspects, ensuring strategic alignment and informed decision-making. DO & CO's management prioritizes active engagement with stakeholders, including investors, regulatory bodies, and external experts, to facilitate transparent dialogue and gather diverse perspectives. External stakeholders were invited to provide input on identified topics, assessing them based on Scale & Scope, Remendability, and Likelihood, and evaluating them from short-, medium-, and long-term perspectives. This collaborative approach supports the commitment to accountability and innovation in sustainability and climate change initiatives, fostering continuous improvement and driving long-term value creation.

Regulatory

Adhering to current and emerging regulations is a cornerstone of DO & CO's approach to climate-related risk assessment and sustainability efforts. The evolving legal landscape surrounding climate change introduces both challenges and opportunities, requiring proactive measures to ensure compliance and mitigate potential risks.

Governments worldwide are implementing stricter measures to reduce emissions, which can lead to legal, financial, and reputational risks for non-compliance. Penalties, fines, and reputational damage can deter customers and limit access to capital, as investors and lenders increasingly prioritize sustainability.

Integrating these regulatory requirements into DO & CO's risk assessment helps identify challenges and capitalize on opportunities, ensuring a resilient and adaptive approach.

Key regulatory frameworks, including the EU Circular Economy Regulation, EU Deforestation Regulation (EUDR), and the UK Extended Producer Responsibility (EPR), introduce short-term adaptation costs. However, they also drive long-term sustainable improvements, such as fostering a more accountable and transparent supply chain, reducing waste, promoting reusable packaging, and enhancing environmental management systems. An accountable supply chain not only ensures compliance but also strengthens business resilience, builds trust with stakeholders, and enhances operational efficiency. Rising costs from regulatory measures, such as carbon taxes and energy efficiency standards, highlight the need for a robust compliance framework to balance immediate adjustments.

As a listed company on the Vienna and Istanbul stock exchanges and included in the Sustainability Index of Borsa Istanbul, operating globally, DO & CO adheres to a diverse array of regulations spanning capital markets, financial reporting, data protection, ESG compliance, and operational processes, including stringent hygiene standards.

The EU-Taxonomy plays a pivotal role in guiding sustainable finance within the European Union (EU). This classification system defines clear criteria for identifying economic activities that contribute materially to the transition to a zero-carbon and environmentally sustainable future, as outlined in the European Green Deal. DO & CO complies with Regulations (EU) 2020/852 and its subsequent updates, requiring transparent disclosure of three key performance indicators: turnover, capital expenditures (CapEx), and operational expenditures (OpEx).

DO & CO reports on its contributions to the EU Taxonomy's six environmental objectives:

1. Climate change mitigation (CCM)
2. Climate change adaptation (CCA)
3. Sustainable use and protection of water and marine resources (WTR)
4. Transition to a circular economy (CE)
5. Pollution prevention and control (PPC)
6. Protection and restoration of biodiversity and ecosystems (BIO)

Achieving taxonomy eligibility signifies that the company's economic activities fall within the scope of the EU Taxonomy. EU-Taxonomy alignment, a stricter qualification, requires these activities to significantly contribute to at least one environmental objective without harming others, while meeting criteria for Substantial Contribution as well as the Do No Significant Harm criteria – including conducting a Climate Risk and Vulnerability Assessment - and ensuring minimum social safeguards.

In preparation for the Corporate Sustainability Reporting Directive (CSRD), DO & CO is aligning its sustainability reporting with the European Sustainability Reporting Standards (ESRS). The full CSRD will be applied at group level as soon as the EU Directive has been transposed into national law in Austria, marking a new era in reporting and transparency. This alignment facilitates the identification of climate risks across operations and the supply chain while aiding in recognizing opportunities within the transition to a low-carbon economy.

DO & CO is also monitoring the implementation of the EUDR and the Corporate Sustainability Due Diligence Directive (CSDDD). Although these may not directly apply to all operations, they serve as baseline standards for the practices.

Through the Group Sustainability department's diligent efforts, DO & CO ensures it remains informed and adaptive to evolving regulations, empowering the company to navigate challenges, seize opportunities, and maintain compliance with emerging sustainability requirements. This proactive approach supports the commitment to creating long-term value for stakeholders while contributing to global sustainability goals.

Legal

As a globally expanding organization, DO & CO operates within a complex landscape of national and international legal requirements. Key areas of focus include compliance with food related regulations, hygiene standards, waste management, human resources, data protection, tax regulations, financial market law, and customer-specific guidelines, particularly in Airline Catering and International Event Catering.

Managing regulatory risks is essential to protect the business and maintain operational integrity across jurisdictions. DO & CO's Enterprise Risk Management approach incorporates compliance programs, regulator engagement, litigation management, and structural risk oversight. These efforts extend to climate-related risks, recognizing that non-compliance could damage the company's reputation, lead to financial penalties, and impact performance and credibility. Despite these efforts, occasional breaches can occur. Comprehensive analysis are continuously underway, and targeted measures are being implemented to prevent non-compliance.

Compliance with environmental regulations facilitates the optimization of energy use, reduction in water consumption, and waste minimization. It also contributes to enhancing operational resilience, mitigating regulatory risks, and fostering stronger relationships with regulators and stakeholders.

DO & CO is committed to exceeding environmental compliance standards and proactively addressing future regulations, such as those arising from the EU Green Deal (COM/2020/563).

To this end, the company utilizes a centralized legal department, supported by external advisors, to monitor evolving legal landscapes and integrate legislative changes into business processes. Comprehensive compliance systems, regular employee training, and internal oversight further reinforce this commitment.

Technology

In the modern age, advancements in Artificial Intelligence (AI), automation, Industry 4.0, and the Internet of Things are transforming industries. Leadership of DO & CO recognizes the importance of harnessing these developments to maintain competitiveness while addressing critical environmental challenges. Technology is integral to internal operations, enabling the group to innovate and drive sustainable practices. Conscious decisions on how best to implement these innovations are essential—not only for maintaining a sustainable competitive advantage but also for fostering employee development and improving energy efficiency across the operations.

Monitoring technological risks is a priority, supported by dedicated programs and measurable indicators. Conducting regular internal tech audits is essential for identifying and mitigating these risks. The Audit Team ensures the security and currency of the systems, while effective reporting to the Board and Senior Management provides visibility into the success of the technology risk strategy.

DO & CO is enhancing building efficiency and operational equipment through EMS and BEMS. Improvements in BEMS enable identification of energy-intensive areas and implementation of targeted actions, such as installing cold room door curtains to maintain temperature stability. These initiatives, along with dashboarding and live monitoring of high-usage equipment, drive both business and environmental benefits. To minimize waste and maximize resource recovery, continuous adaptation of the business model, investing in low-carbon technologies and energy-efficient infrastructure are essential. These efforts, while increasing operating costs, are incentivized by regulatory pressures, public expectations, and potential resource scarcity. In collaboration with internal teams, DO & CO is developing bespoke solutions to evaluate and manage full production process from procurement to tray setting. This technology enhances the accuracy of waste segregation and disposal, enabling the management to identify key waste sources and implement reductions at the source.

At the location in the United Kingdom (UK), DO & CO has begun solar panel production, and aims to achieve 100% renewable electricity usage across the EU, UK, and Türkiye by 2030, currently at 45%. The group's strategy includes increasing reliance on renewable grid energy and expanding in-house energy production, while consistently promoting energy efficiency throughout its global operations.

Additionally, DO & CO has transitioned from centralized servers to cloud-based storage, significantly reducing emissions associated with server operations and data usage. The company's cloud server partner shares the same commitment to sustainability, with a target to achieve Net Zero by 2040. In the group's commitment to further reduce emissions, we are leveraging technology to estimate the GHG emissions associated with individual dishes are being leveraged. This initiative is being integrated into the standard tender submission process, providing transparency and empowering clients to make informed decisions. During pilot programs at client events, DO & CO includes GHG emissions information for each menu item, enabling clients to understand the environmental impact of their choices and select more sustainable options.

Markets

Operating across three distinct market segments, Airline Catering, Event Catering, as well as Hotels, Lounges and Restaurants, DO & CO closely monitors market developments to anticipate trends and integrate their effects into strategic decision-making. Managing market risks involves evaluating the impact of shifting conditions on assets, liabilities, financial instruments, and investments, particularly interest rates, while also considering commercial market dynamics. A key focus is the aviation industry, where DO & CO tracks trends in onboard customer experiences to identify potential risks and opportunities. Recognizing the evolving food consumption patterns of customers, the teams have taken proactive measures to enhance their offerings. The use of high-quality ingredients and adherence to stringent safety protocols are prioritized to ensure consumer safety. With growing demand for meal diversification, DO & CO caters to a variety of dietary requirements, for example vegetarian, vegan and halal.

Additionally, DO & CO acknowledges the climate-related risks associated with overconsumption in the food service industry, particularly emissions linked to ingredient preparation and waste. To address these risks, chefs are reformulating dishes with a focus on increasing plant-based options, which generally have a lower environmental footprint compared to meat-based meals. While meat remains on the menu due to customer demand, its share will be reduced by 2025 in alignment with DO & CO's sustainable sourcing policy. By adapting to these market trends and customer preferences, this aims to mitigate climate-related market risks and position us as a responsible provider that meets the growing consumer demand for environmentally friendly and health-conscious options. While the percentage of locally sourced ingredients remains a key indicator, improvements on reporting capabilities and offerings are being carried out. Starting next year, the company will include additional figures and key metrics to better illustrate efforts in meeting market demands and advancing its strategic goals.

Reputation

Employees serve as key ambassadors of the DO & CO brand, embodying its corporate culture and values. Raising awareness of their responsibility is a core task of the company. Reputational risks, managed by national and international teams, are addressed through a centrally controlled risk management process to mitigate harm to the brand and potential losses.

The growing awareness of climate change among consumers and stakeholders has heightened expectations for corporate environmental responsibility. Neglecting these concerns could harm DO & CO's reputation and lead to consumer backlash. Similarly, investors increasingly prioritize companies with robust environmental practices. A lack of action or perceived greenwashing could reduce investor confidence and impact financial performance.

To strengthen governance and transparency, all climate-related claims are evaluated carefully and climate risks are integrated into its broader risk assessments. The company has established a dedicated ESG Committee within the Supervisory Board to enhance performance on sustainability issues and foster trust with stakeholders. By proactively addressing sustainability concerns, DO & CO not only mitigates reputation risks but also strengthens its brand image, builds stakeholder confidence, and positions itself as a responsible and forward-looking organization.

Acute Physical

While most DO & CO locations are not directly exposed to acute physical climate risks, the Miami as well as the Los Angeles sites the United States are an exception, as the first is situated in a tornado-prone area. In addition to that, the Unit in Istanbul has a high risk of explosion to earthquakes. The latter one is an increasing fire-risk area. Beyond this, DO & CO must also account for potential risks faced by its suppliers and clients operating in regions more vulnerable to acute climate events. Extreme weather events, such as hurricanes or tornadoes, can disrupt supplier operations and client businesses, leading to interruptions in the services DO & CO provides. For instance, such events may halt business activities temporarily and complicate logistical operations.

Severe droughts represent another acute physical risk, potentially causing temporary supply chain disruptions and leading to shortages of critical ingredients, such as vegetables. This scarcity can increase costs, directly impacting the pricing and availability of the meal components. To address these challenges, a strategy of diversifying suppliers based on origin and typology has been implemented to build resilience in the group's supply chain.

Recognizing the importance of preparing for acute physical risks, a comprehensive Climate Risk and Vulnerability Assessment has been conducted over the past year for many of the locations. This assessment evaluated various climate risk scenarios, providing critical insights into potential risks and opportunities.

The findings have strengthened the understanding of how climate-related events could impact internal operations and guided the implementation of measures to mitigate these risks. Continuous monitoring acute physical risks is new as part of the broader risk assessment framework.

Chronic Physical

Evaluating and addressing chronic physical climate-related risks as part of the comprehensive Risk Assessments is a high priority. The long-term impacts of climate change, such as shifts in temperature patterns, changes in precipitation levels, and prolonged droughts, pose significant challenges to the group's operations. Given the reliance on agricultural products, disruptions in farming can directly affect the availability and pricing of key ingredients, posing risks to the ability to deliver consistent, high-quality food services.

For example, rising temperatures can decrease agricultural yields, potentially leading to reduced productivity and increased costs. Additionally, climate change can negatively affect natural water cycles, soil quality, biodiversity, and ecosystems—factors critical to agricultural sustainability. These disruptions can cascade through the supply chain, affecting both suppliers and customers, and ultimately influencing the operational stability.

To mitigate chronic physical risks, DO & CO conduct extensive risk assessments that include an evaluation of long-term climate scenarios and their implications for its supply chain. Proactive measures include supply chain diversification, reducing energy dependency, and integrating sustainability into the sourcing strategies. These actions aim to strengthen resilience and to capitalize on opportunities, such as fostering stronger partnerships with suppliers that adopt sustainable agricultural practices.

By consistently including both acute and chronic physical climate-related risks in the assessments, DO & CO ensures a well-prepared position to adapt to the evolving impacts of climate change. The strategic focus on risk diversification and sustainability enables the entity to minimize vulnerabilities while exploring opportunities to innovate and maintain high standards of service.

Transitional Risk	**Value Chain**	**Impacts** *(Assuming no mitigation)*	**Opportunities**	**Mitigation strategy**
Policy Action to constrain emission–intensive activities	Operations	Untapped energy efficiency potential in production sites increases the cost burden in the face of increasing energy prices, leading to significant financial risk.	Upgrading to energy-efficient equipment and lighting to reduce energy costs and promote sustainability. Use of more efficient production and distribution processes	**(MT)** Switch to 100% renewable electricity sources in all the operations in the EU, UK and Türkiye by 2030. **(ST)** Climate change and impact education programs. Incl. of energy management. **(LT) SBTi Targets have been approved. Currently the company is working to reach the targets.**
Policy Action to constrain emission–intensive activities	Raw materials	Proliferation of pests and diseases that thrive in warmer environments. These outbreaks can devastate crops and livestock, leading to significant losses and reduced availability of key food items. Consequently, the limited supply and increased demand for resilient and disease-resistant crops further contribute to the rising cost of procuring food for the kitchens.	Incorporating sustainable practices to minimise food waste and reduce operational costs.	**(ST)** Work with suppliers to diversify selection. Sustainable sourcing awareness (Sustainable Sourcing Policy). Food waste management. **(MT)** Full compliance with the Sustainable sourcing and Supplier code of conduct policies by 2025. **(LT)** Sourcing 70%[1] of the products locally by 2030 **(LT)** Develop and adopt rigorous traceability processes by 2030. **(ST)** Utilise AI food waste measuring systems to reach 0% of food waste to landfill by 2030.

[1] This number has recently been adjusted in line with more stringent reporting and sourcing policies.

Transitional Risk	Value Chain	Impacts *(Assuming no mitigation)*	Opportunities	Mitigation strategy
Policy Action to constrain emission–intensive activities	Packaging	Increase costs of packaging materials. Change of regulations in regions. Increased costs in waste fees to landfill and handling of waste poses a financial risk.	Partnering for material recycling of aluminium, plastic, cardboard, and grey water, generating additional revenue and decreasing associated environmental impact. Sustainable packaging offers a reduction in scope 3 emissions and can improve brand and company reputation.	**(ST)** Packaging, waste innovation projects, and circular initiatives underway. **(LT)** Abolish single-use plastic throughout the operations by 2030 [2] By encouraging business customers to adopt sustainable practices by 2030 through the offering of sustainable packaging solutions. Further,DO & CO will make all the takeaway packaging 100% sustainable. In line with the SDG agenda. **(ST)** Increase supplier engagement regarding the use of sustainable packaging material. **(ST)** Regularly monitor, generate, and update baselines and reports related to the ecological footprint of the use of packaging across all the operations. **(ST)** Procurement, production process improvements, and engagements with suppliers and customers.
Technology Use of emerging technology to support DO & CO's journey to Net Zero	Operations	Fall in asset value due to lack of investment. Such as buildings that haven't been updated for market best practices. Investments in low-emission tech to meet regulations.	Upgrading to energy-efficient equipment and lighting to reduce energy costs and promote sustainability.	**(ST)** Ongoing implementation of new emission reporting tooling. Coordinated activities to drive reporting. **(ST)** Switching to low emission technologies Investing in energy management training.

[2] Where viable according to food safety regulations.

Transitional Risk	Value Chain	Impacts *(Assuming no mitigation)*	Opportunities	Mitigation strategy
Markets	Brand and business development	Revenue Risk - Sustainability requirements from clients become part of tender conditions (e.g., IAG, Albertina) and will increasingly be added to future tenders. Poor ESG rating performance decreases access to the capital market, limiting investor profiles that can buy the stocks. Missed business growth opportunities.	Offering sustainable food options: Increasing revenue by attracting a wider customer base (and strengthening current relations) through the development and/or expansion of low emission product range. Green-certified events/initiatives. Differentiating from competitors and appealing to environmentally conscious customers by hosting green-certified events or implementing green initiatives	**(ST)** Sustainability measurement of the products presented to the customers. Close and coordinate dialogue with all the stakeholders to understand their sustainability drivers. **(ST)** Offering sustainable and environmentally friendly products and services. Through menu reformulation, increased local sourcing, and emissions evaluation, DO & CO actively contribute to addressing climate change and fostering a healthier planet. **(ST)** Changing consumer demands and awareness of low carbon emissions can drive growth for those who will adapt. Committed to increasing our plant-based meal options and informing customers of the carbon impact. (Consumer Health & Nutrition Policy)
Resilience		Increased insurance premiums or difficulty obtaining insurance due to climate-related risks such as flooding, hurricanes, or heatwaves in the Miami Unit. Decreased asset values or stranded assets due to climate policy or market changes, such as carbon taxes or a shift towards electric vehicles.	Prepare climate adaptation and insurance risk solutions. Move to more efficient buildings – Reduced water usage and consumption. Adapting to climate change by adopting sustainable practices and offering eco-friendly options to avoid negative impacts from shareholders and banks.	**(MT)** Switch to 100% renewable electricity sources in all operations in the EU, UK and Türkiye by2025. **(MT)** Company Owned fleet phasing out fossil-fuelled vehicles in new purchases (where feasible) and actively adding electric and hybrid, and alternative-fuelled vehicles to the fleet by 2030. And team trained in relevant training. **(ST)** Changing consumer demands and awareness of low carbon emissions can drive growth for those who will adapt. Committed to increasing our plant-based meal options and informing customers of the carbon impact. (Consumer Health & Nutrition Policy)

Transitional Risk	Value Chain	Impacts (Assuming no mitigation)	Opportunities	Mitigation strategy
Reputation		Reputational damage from ignoring climate change concerns. Decreased investor interest and decrease access to investment funds. Greenwashing allegations for misrepresenting environmental practices.	Reputation enhancement by addressing climate change concerns and demonstrating a commitment to environmental practices. Increased investment potential from environmentally conscious investors. Competitive advantage through investment in a dedicated Sustainability Team and introduction of an ESG Committee.	**(ST)** Transparent communication to avoid misleading claims and build trust. **(ST)** Engage stakeholders to understand concerns and involve them in sustainability decision-making. **(ST)** Continuously review and update environmental practices and risk mitigation strategies.

Definitions of short-term, mid-term, and long-term.

Short-term 0-1

The organization's definition of short-term time horizons encompasses a timeframe of up to one year, which is deemed critical for executing immediate actions, such as meeting regulatory requirements, fulfilling customer demands, or addressing operational issues. With regards to sustainability, short-term planning pertains to actions that will occur within the next year and are specifically aimed at implementing EMS procedures in more units. Additionally, short-term planning considers current business dynamics, financial constraints, and operational feasibility to ensure optimal execution of actions. Concurrently, short-term financial planning is essential for managing cash flow and meeting immediate financial obligations. Integrating short-term sustainability actions into financial planning optimizes resource allocation and cost management

Medium-term 1-5

Medium-term time horizons, as defined by the organization, cover a period ranging from one to five years, and provide an opportunity to undertake strategic planning initiatives, such as developing and implementing sustainability programs or climate adaptation measures. This timeframe enables a more comprehensive approach to planning and executing actions that can produce measurable outcomes. Medium-term planning plays a pivotal role in aligning the company's sustainability goals with evolving market trends and demands. The medium-term horizon provides a comprehensive view of both current and future business conditions. This *timeframe is ideal for financial planning as it allows for the seamless integration of sustainability initiatives into target setting and budgeting. By doing so, organizations can effectively assess the financial implications of sustainability efforts, allocate resources accordingly, and gain a clear understanding of the return on investment for sustainable activities.*

Long-term 5-10

Long-term time horizons, as defined by the organization, extend beyond five years. Long-term planning necessitates the consideration of future trends, uncertainties, and potential risks, such as climate change impacts, technological advancements, and regulatory changes. The organization defines long-term time horizons based on the strategic vision and sustainability objectives, as well as market and societal trends that can shape the business operations in the coming decades. This approach enables the company to remain on track toward meeting the Science Based Target and regularly define plans to meet the established timeline. Aligning long-term sustainability goals with the overall strategic direction creates a cohesive approach. Long-term financial planning, focused on strategic investments and risk management, is enhanced by incorporating sustainability considerations to identify potential financial opportunities and mitigate climate-related risks

6. Metrics and Targets

Sustainability has been a fundamental principle guiding DO & CO operations from the beginning. As part of the ongoing commitment, refined methodology and processes where necessary to drive more impactful actions. In July, the group's Science-Based Targets received official approval, marking a significant milestone. DO & CO is now crafting a targeted action plan to effectively reduce GHG emissions. These metrics and targets are critical for tracking the progress of the climate objectives, with oversight ensured at both the management and board levels.

Metrics	Unit	FY2023/2024	Target
Scope 1 Emissions	$CO_{2\text{-}e}$ Ton	41,430.57	Net Zero by 2030
Scope 2 Emissions Market-Based	$CO_{2\text{-}e}$ Ton	25,761.81	Net Zero by 2030
Scope 2 Emissions Location based	$CO_{2\text{-}e}$ Ton	37,911.62	Refer to market-based target
Scope 3 Emissions	$CO_{2\text{-}e}$ Ton	558,550.30	45% reduction by 2030
EMS aligned activities	%	N/A (3 units with EMS in ISO14001 framework)	40% of activities aligned with EMS by 2025, 70% by 2030
Renewable Electricity	%	45	Fully renewable electricity in EU, UK & Türkiye by 2030
Total Energy consumed	MJ	952,301,901.76	*In progress*
Total waste generated	tonnes	74,375.18	No food waste to landfilling by 2030
Locally sourced ingredients	%	59	Source 70% locally by 2030

Scope 1,2 and 3 Emissions

Greenhouse gas emissions have been firmly established by the global scientific community as the principal driver of climate change. The CIPCC has repeatedly highlighted the direct relationship between human activities and rising emissions, which have led to measurable increases in global temperatures, air quality degradation, and adverse impacts on ecosystems. These effects include shifts in weather patterns, biodiversity loss, and disruptions to critical systems such as agriculture and water resources.

At DO & CO, there is an acute awareness of the global challenges posed by climate change and the company's potential role in either exacerbating or mitigating its effects. As a globally operating organization, DO & CO's footprint has both local and global implications. This recognition drives the commitment to re-evaluating and transforming internal operational practices to align with internationally recognized standards, particularly those set by the 2016 Paris Agreement. By integrating the principles of this agreement into the entity's sustainability strategy, DO & CO aims to contribute meaningfully to limiting global temperature increases to 1.5°C above pre-industrial levels.

The establishment of ambitious Science-Based Targets (SBTi) demonstrates the company's commitment to combating climate change. These targets include a clear objective to reduce absolute Scope 1 and 2 GHG emissions by **90% by FY2030/2031**, compared to a FY2022/2023 baseline. This commitment underscores the determination to minimize emissions generated directly by operations (Scope 1) and those associated with purchased energy (Scope 2). Furthermore, DO & CO recognizes the significance of addressing emissions across its entire value chain. To this end, DO & CO is committed to reducing absolute Scope 3 GHG emissions by **45% within the same timeframe.** This includes emissions from procurement, transportation, product lifecycle, and disposal.

The achievement of **net-zero emissions across the value chain by FY204/2041** has been established as the goal. This comprehensive commitment encompasses all aspects of business activities, including direct emissions and indirect contributions from suppliers, logistics, and product disposal. By setting these targets, DO & CO ensures alignment with global climate change mitigation efforts and upholds the highest standards of accountability and transparency.
Despite significant business growth over the past year, including the expansion of operational units, notable progress has been made in reducing emissions. A **33% reduction in Scope 1 and 2 market-based emissions**, as highlighted in the 2023/2024 report, demonstrates the effectiveness of energy efficiency initiatives and the transition to renewable energy sources.

Additionally, emissions intensity related to Scope 1 and 2 (market-based), measured against revenue, has decreased by **43%,** demonstrating the ability to decouple emissions growth from financial performance. These reductions are a testament to the strategic investments in energy-efficient technologies and enhanced reporting practices. However, DO & CO acknowledges that improved methodologies for calculating emissions have also contributed to these results, and further analysis is ongoing to isolate the impacts of specific initiatives.

Calculating Scope 3 emissions remains a complex challenge due to the expansive nature of DO & CO's value chain. For the current business year, it was not possible to use the previously applied software to calculate Scope 3 emissions. Instead, DO & CO adopted a simplified approach, estimating emissions based on the number of meals served during the reporting period. Using this methodology, DO & CO observed a **14% increase in Scope 3 emissions.** This increase reflects the growing business operations but also highlights the limitations of the current estimation approach.

The commitment to improving the accuracy and comprehensiveness of the group's Scope 3 emissions calculations remains present. Efforts are underway to develop a more robust methodology, leveraging advanced tools and data systems to ensure greater precision in future reports.

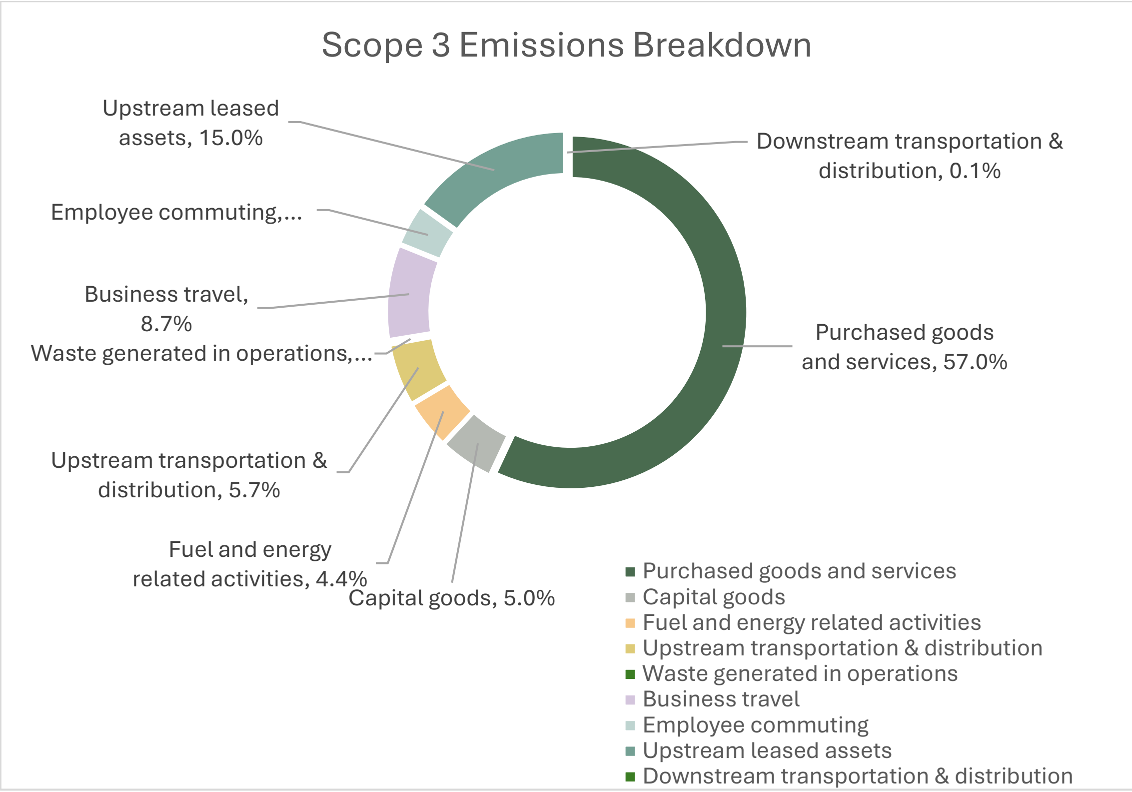

Figure 4 Scope 3 Emissions Breakdown on the basis of the evaluation for the fiscal year 2022/2023

CASE EXAMPLES

- *DO & CO already significantly increased the electrification of its passenger vehicles in Spain and the UK.*
- *However, finding carbon-free alternatives to the high-loaders poses the biggest challenge for reducing scope 1 emissions.*
- *Nonetheless, first steps are being taken. For example, DO & CO Los Angeles acquired a fleet of propane-fuelled high-loaders for the airport operations. While not carbon-free, propane-fuelled vehicles have a lower carbon content than conventional gasoline and diesel-fuelled vehicles.*
- *This action demonstrates the commitment to innovate and explore more sustainable alternatives for internal operations*

Energy Efficiency in Operations

Despite the exponential growth in the business, a range of measures to optimize energy use have been implemented, including:

- Building Energy Management Systems: These systems enable real-time monitoring and optimization of energy consumption, identifying areas for improvement such as reducing energy leakage and enhancing equipment efficiency.
- Practical Solutions: Simple interventions, such as installing cold room door curtains and sensors on high-energy equipment, have yielded tangible reductions in energy waste.
- Transportation Optimization: By leveraging Transport Management Systems, DO & CO has reduced vehicle standstill times and improved routing efficiency, leading to lower fuel consumption and emissions. Additionally, reliance on local storage to minimize transportation distances, reducing associated environmental impacts is being increased.

Transitioning to renewable energy is a critical pillar of the climate strategy. Over the past year, DO & CO has significantly increased its reliance on renewable electricity, with the share rising from 21% to 45%. This remarkable progress has been driven by the transition of several key operational units, including those in Spain, Austria, Türkiye, and the UK, to fully renewable energy contracts. The long-term goal is to achieve 100% renewable electricity usage across the EU, UK, and Türkiye by 2030. This target is part of a broader strategy to reduce dependency on fossil fuels and accelerate the decarbonization of operations.

CASE EXAMPLES:

- *DO & CO London Heathrow Unit has moved forward with the installation of solar panels on its rooftop to increase the share of renewable energy used for its operations. Although the energy produced cannot cover the entirety of the Unit's consumption yet.*
- *Additionally, through its energy recovery programme the London Unit provided 130 houses with electricity and 77 houses with biogas for heating that was produced from a bio-whale on site for food waste and effluent waste.*
- *DO & CO is not only exploring how to cover own energy consumption by self-generation but also changing the energy agreements to increase the use of renewable grid energy.*
- *The DO & CO Madrid and Istanbul Units have adapted their energy contracts to cover all their needs for electricity from a mix of renewable energy sources, including solar and wind.*

Employee Awareness Building

DO & CO recognizes that achieving its sustainability goals requires the active participation of its employees. To foster a culture of sustainability, DO & CO is launching a series of awareness campaigns aimed at educating employees about energy-saving practices and empowering them to contribute to the global climate transition efforts. These campaigns will include training sessions, workshops, and practical tips for adopting sustainable behaviours in daily work routines. Additionally, the expansion of ISO 14001 across DO & CO's units provides a structured framework for environmental management, ensuring employees receive the necessary training to embed sustainability into their operation. By creating employee awareness for energy efficiency, the company aims to not only reduce the carbon footprint but also foster a culture of sustainability across the overall organisation.

Customer Engagement

DO & CO recognizes the importance of empowering customers to make more sustainable choices. As part of this initiative, a new menu format has been reported at several events, highlighting the emissions associated with each ready meal option. This format encourages customers to opt for lower-carbon alternatives such as plant-based meals. Sustainable sourcing is also a priority, particularly for high-impact products like beef and palm oil. The sustainable sourcing policy further emphasizes high animal welfare standards, including phasing out caged eggs and chickens across all kitchens globally. By providing this information upfront and collaborating with customers, customers are empowered to make well-informed choices, whether choosing meals with specific sustainability certifications or tracking the origin of their food. This collaborative approach strengthens the shared goal of reducing greenhouse gas emissions while ensuring responsible and ethical sourcing practices and generating awareness.

Change in Supply Chain Portfolio

Purchased goods and services constitute the largest share of Scope 3 emissions. To address this, DO & CO is exploring ways to shift toward more sustainable options, including increasing the proportion of locally sourced ingredients in products to reduce carbon emissions from transportation and distribution. Additionally, there is a focus on expanding the portfolio with more plant-based and plant-forward offerings.

Embracing plant-based alternatives is expected to significantly reduce these emissions and support customers in making more sustainable food choices.

Supplier Engagement

This year, DO & CO has deepened its engagement with suppliers in line with the company's Net Zero ambitions. A key target is to educate suppliers about the importance of emissions tracking and energy efficiency, encouraging them to set their own emission reduction targets. In addition, DO & CO is working to implement a system that allows top suppliers to report their progress annually.

Sustainable sourcing practices, especially from local, small, and diverse suppliers, not only provide valuable insights into market trends but also foster the development of authentic, culturally relevant products and services. These practices contribute to the overall satisfaction of customers while supporting the growth of local economies. DO & CO takes a comprehensive approach to ethical and environmental responsibility across the entire supply chain, addressing critical issues such as human rights, deforestation, animal welfare, and biodiversity. Through the company's Supplier Code of Conduct, we ensure that all suppliers adhere to these standards. Supplier compliance is closely monitored through audits and contractual agreements. DO & CO remains committed to transparency, publishing annual sustainability reports that highlight progress and outline future goals.

7. Summary

To ensure continued growth and success as a business, achieving Net Zero emissions is imperative. Additionally, DO & CO recognises the need to adapt its strategic response to identified climate-related risks and opportunities. DO & CO will establish effective governance, risk management, and measurement systems to enhance its resilience. The group's sustainability commitments are ambitious: By 2030, DO & CO aims to achieve net zero emissions in scope 1 and 2 activities, as well as establish a deforestation-free supply chain. These efforts will make a significant contribution to environmental preservation.

Governance

At the highest level of DO & CO, the Supervisory Board ESG committee is responsible for activating and monitoring the Net Zero commitments. This is reinforced by the DO & CO management board, for whom success is linked to remuneration.

Strategy & Risk management

Regularly reviewing and updating policies and procedures in response to the evolving as well as present risks and opportunities associated with climate change is essential. The internal assessment process has evolved and is now more robust than ever before. In the short to medium term, DO & CO must navigate climate transition risks and adapt based on its assessments.

Metrics and targets

To enhance the accuracy and scope of ESG reporting, new software tools are being implemented to enable more comprehensive metric tracking. Continuous improvements in reporting processes support more effective ESG steering and ensure compliance with evolving regulations, reinforcing DO & CO's commitment to transparency and data-driven sustainability management.

DO & CO | THE GOURMET ENTERTAINMENT COMPANY

TCFD DISCLOSURE	DISCRIPTION	LOCATION OF DISCLOSURE
Governance		
a) Board's oversight of climate-related risks	i)Processes and frequency by which the board are informed about climate-related issues	TCFD p. 4
	ii) Integrating climate-related issues into corporate strategy, policy, & business planning	TCFD Report; DO & CO ESG Policies
	iii) Monitoring progress against climate-related goals & targets	Sustainability Report 2022/23 , p.20-23
b) Management's role in assessing and managing climate risks and opportunities	i) Assignment of climate-related responsibilities and board reporting processes	TCFD Report, p.4; DO & CO Natural Resource Policy, p.11
	ii) Description of the associated structure	TCFD Report, p.4
	iii) How management is informed	TCFD Report, p. 4
	iv) How management monitors climate-related issues	TCFD Report, p. 4, p.22
Strategy		
a) Climate-related risks and opportunities the organisation has identified over the short/medium & long-term	i) Short/medium/long-term time horizons, considering the life cycle of assets	TCFD Report, p.19-21
	ii) Specific climate-related issues arising in each time horizon that could have a material financial impact on the organisation	TCFD Report, p.19; CDP Questionnaire
	iii) Processes used to determine risks and opportunities that could have a material financial impact on the organisation	TCFD Report, p. 19
b) Impact of climate-related risks & opportunities on the organisation's strategy, business & financial planning	i) Impact on products & services, supply chain, operations, acquisitions & access to capital	DO & CO Natural Resource Policy, p.2
	ii) Climate-related issues serving as a planning input & the prioritization of risks & opportunities	TCFD Report, p. 19-21; DO & CO Sustainable Sourcing Policy, p.2-4
	iii) Impact of climate-related issues on financial performance & financial position	We assess changes in commodity prices, among others, also due to climate-related risks. Examples of high-risk commodities include tomatoes and olive oil.
	iv) Plans for transitioning to a low-carbon economy	TCFD Report, p.3; DO & CO Natural Resource Policy: p. 4-7
c) Resilience of the organisation's strategy, considering climate scenarios, including a 2°C or lower scenario	i) Where strategies may be affected by climate-related risks and opportunities	TCFD Report, p.11-21; DO & CO Natural Resource Policy: p. 2
	ii) How strategies might change to address such potential risks and opportunities	TCFD Report, p.11-21; DO & CO Natural Resource Policy: p. 4
	iii) Potential impact of climate-related issues on financial performance & position	TCFD Report, p. 19-21

	iv) Climate-related scenarios & associated time horizons	TCFD Report, p.9-11
Risk Management		
a) Organisation's processes for identifying & assessing climate-related risks	i) How is the relative significance of climate-related risks concerning other risks	TCFD Report, p.11-21; Sustainability Report 2022/23, p.14
	ii) Consideration of existing & emerging regulatory requirements related to climate change & and other factors	TCFD Report, p.14-15
	iii) Assessment processes of the size & scope of identified climate-related risks	TCFD Report, p.11-21; Sustainability Report 2022/23, p.14
	iv) Definition of risk terminology or reference to existing risk classification	Sustainability Report 2022/23, p.14
b) Organisation's processes for managing climate-related risks	i) Decisions to mitigate risks, prioritising risks and how materiality determinations are made	TCFD Report, p.19-21; Sustainability Report 2022/23, p.14
c) Integrating processes for identifying, assessing, and managing climate-related risks to the organisation's overall risk management	i) Description of how processes for identifying, assessing, and managing climate-related risks are integrated into their overall risk management.	TCFD Report, p.19-21; Sustainability Report 2022/23, p.14
Metrics & Targets		
a) Metrics used by the organisation to assess climate-related risks & opportunities in line with its strategy & risk management process	i) Provide the key metrics used to measure and manage climate-related risks and opportunities	TCFD Report, p.22-23
b) Disclose Scope1/2/3 GHG Emissions and the related risks	i) Provide their Scope 1, Scope 2 and Scope 3 GHG emissions independent of a materiality assessment. In line with the GHG Protocol	TCFD Report, p.22-23
c) Targets used by the organisation to manage climate-related risks, opportunities & performance against targets.	i) Describe key climate-related targets in line with climate-related metrics.	TCFD Report, p.22-23

Disclaimer

This report focuses on climate-related risks and opportunities in accordance with the recommendations of the TCFD. For information on other environmental, social, and governance topics, please refer to the DO & CO Sustainability Report of the financial year 2023/2024 and the official website, where further policies and the business codes of conduct can be found under https://www.doco.com/sustainability-reports-press-downloads/.

The report includes forward-looking statements based on current expectations and assumptions about anticipated developments and other factors. These statements are not historical facts and do not guarantee future performance, as they are influenced by various assumptions, risks, and uncertainties that can change over time. Forward-looking statements are valid only as of their date of publication, and actual performance may differ significantly from what is expressed or implied in these statements. DO & CO does not have an obligation to update forward-looking statements. In the future, DO & CO intends to enhance its disclosures by adapting to new facts and regulations that affect the evolving climate landscape.

References

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