



Pr JSC "MHP"

Identification code: 25412361

st. Akademika Zabolotnyi, 158

Kyiv, 03143, Ukraine

+380 44 207 0000

+380 44 207 0002

office@mhp.com.ua

www.mhp.com.ua

No. PL-316/02.12.25 ENG

Environmental policy

Електронний підпис
Косюк Юрій
Анатолійович
ЄДРПОУ/ІПН
25412361

Електронний підпис
Капелюшна Вікторія
Борисівна
ЄДРПОУ/ІПН
25412361

Електронний підпис
Мельник Юрій
Федорович
ЄДРПОУ/ІПН
25412361

Approvals:

Dr John C RICH
Executive Chairman, Board of Directors

Yuriy KOSYUK
Chairman of the Board of Directors, Chief Executive Officer

Viktoriia KAPELIUSHNA
Deputy Chief Executive Officer for Finance and Strategic Business Support

Yurii MELNYK
Deputy Chief Executive Officer for Sustainable Development

Endorsements:

Maksym PYSARIEV
Deputy Chief Executive Officer for Production

Serhii DOBROHORSKYI
Deputy Chief Executive Officer for Agribusiness

Oleksandr DOMBROVSKYI
Deputy Chief Executive Officer for Energy Innovations and Energy Efficiency

Oleh UPATOV
Deputy Chief Executive Officer for Logistics

Adomas AUDICKAS
Deputy Chief Executive Officer for Bioenergy

Yuriy MELNYK
Deputy Chief Executive Officer for Procurement

Oleksandr SEMENETS
Director of the Department for Methodology and Implementation of Sustainable Development Goals in the Technological Sphere
Process Owner

Kyiv 2025

1. Passport of the document
2. Terms and definitions
3. General provisions
4. Environmental principles
5. Environmental goals and commitments
6. Responsibility and monitoring
7. Final provisions

1. Passport of the document

Business Process	To ensure a unified, transparent and effective environmental management process in all regions of MHP's presence in order to ensure long-term results that will affect the sustainable development of MHP, the regions and the whole of Ukraine
Business Process Goal	Formation and implementation of a unified approach to the management of environmental aspects of activities in the regions where MHP operates
Business process/process group owner	Director of the Department for Methodology and Implementation of Sustainable Development Goals in the Technological Sphere
Target audience	All divisions and employees of MHP Group, regardless of their location and functional affiliation
Information Privacy Stamp	Public
Responsibility	Compliance with the requirements of this document is mandatory and applies to all employees of the Group who belong to the target audience. It is envisaged to periodically conduct a compliance audit to meet the requirements of this regulatory document
Date of entry into force	The date of enactment of the document is the date of its approval
Deactivates a document	Corporate sustainable environmental policy dd. 14.09.2020

Working Group	Document version	Description of changes
Oleksandr SEMENETS, Director of the Department for Methodology and Implementation of Sustainable Development Goals in the Technological Sphere Yuliia SHMIDT, Head of Sustainability Reporting Division	1.0	The procedure has been developed

2.1. Terms and abbreviations are used in this Policy in the following meaning:

Term/ abbreviation	Definition
MHP SE and its subsidiaries/affiliates (hereinafter referred to as MHP, MHP Group)	MHP is a leading agro-industrial company headquartered in Kyiv, with production facilities in Ukraine, Spain and Southeast Europe. MHP's subsidiaries operate in the UK, Saudi Arabia, the United Arab Emirates, the Netherlands and other countries.
Environment	it is a complex system of living (biotic) and non-living (abiotic) factors that surround and affect an organism or ecological community, encompassing everything from air, water and land to plants, animals, climate and conditions that determine life and living conditions.
Impact (materiality of impact)	actual or potential, positive or negative effect on people or the environment in the short, medium or long term, which is related to the operating activities of the company, its products, services or the value chain.
European Bank for Reconstruction and Development (hereinafter – EBRD)	it is an international financial institution created with the aim of facilitating the transition to open market-oriented economies, as well as the development of private entrepreneurship.
International Finance Corporation (hereinafter referred to as IFC)	member of the World Bank Group is the largest global development institution focused on the private sector in developing countries.

2.1. Terms and abbreviations are used in this Policy in the following meaning:

Term/ abbreviation	Definition
Opportunity (financial materiality)	sustainability-related factors arising from environmental, social or governance issues and can have a positive impact on financial health, performance, cash flows, access to finance or cost of capital in the short, medium and long term.
GHG (greenhouse gases)	gas compounds listed in Part 2 of Annex V to Regulation (EU) 2018/1999 of the European Parliament and of the Council. These include: carbon dioxide (CO ₂), methane (CH ₄), nitrous oxide (N ₂ O), sulfur hexafluoride (SF ₆), nitrogen trifluoride (NF ₃), hydrofluorocarbons (HFCs), perfluorocarbons (PFCs).
Risk (financial materiality)	financial risks related to sustainable development arising from environmental, social and governance issues and may adversely affect financial condition, performance, cash flows, access to finance or cost of capital in the short, medium and long term.
Sustainability	development that meets the needs of the present without compromising the ability of future generations to meet their own needs.
CSRD (Corporate Sustainability Reporting Directive)	European Union Directive 2022/2464, which sets mandatory disclosure requirements for companies on sustainability, including environmental, social and governance (ESG) aspects.
GRI Standards	it is a set of global sustainability reporting guidelines that help organizations transparently disclose their economic, environmental and social impact.
Circular economy	economic model that deals with reusing materials, extending their life cycle, minimizing waste and reducing environmental impact.

3.1. Mission

MHP Group recognizes the importance of protecting the environment, preserving ecosystems and ensuring a safe environment for employees, communities and future generations. The company strives to minimize the negative impact of its activities on the environment and contribute to the sustainable development of the territories where it operates.

3.2. Purpose and objectives of the Policy

3.2.1 The purpose of the Policy is to establish uniform approach to the environmental management within the MHP Group, to form a culture of environmental responsibility, to achieve strategic environmental goals and to integrate environmental principles into decision-making.

3.2.2. Key objectives of the Policy:

- implement and maintain an integrated environmental management system;
- integrate environmental protection as a corporate value into the philosophy of MHP Group;
- coordinate actions between all divisions of MHP Group in achieving strategic environmental goals;
- raise environmental awareness of employees and stakeholders of the MHP Group and form a culture of environmental responsibility;
- continuously improve the Group's environmental performance;
- ensure transparency in the coverage of environmental results and activities, including through open communication with employees, communities and other stakeholders.

3.3 Scope

The Policy applies to all divisions and employees of the MHP Group, regardless of their location and function. The Policy covers all activities, operations and processes that may have an impact on the environment, including production, administrative, commercial and other activities.

The Policy is mandatory for all employees and divisions of the MHP Group and defines the general principles that should be applied when making management decisions that impact the environment.

4.1. MHP Group in its own operations is guided by the following principles:

- ensure full compliance with the current environmental legislation of countries of presence and international standards;
- carry out systematic identification, monitoring and assessment of environmental impacts, risks and opportunities;
- develop and implement measures to prevent, reduce or compensate for the negative impact on the environment;
- adhere to the Prevention Principle and the Continuous Improvement principle;
- support environmentally responsible investments and technologies;
- encourage counterparties and partners to improve sustainable development practices.

4.2. In addition to complying with national legislation, MHP Group integrates international standards into its policies and procedures, in particular:

- IFC Performance Standards (PSs) – environmental and social sustainability standards of the International Finance Corporation;
- EBRD Performance Requirements (PRs) – an integral part of the Environmental and Social Policy of the European Bank for Reconstruction and Development (EBRD);
- GRI standards (Global Reporting Initiative) - Global Reporting Initiative;
- ESRS (European Sustainability Reporting Standards) are sustainability reporting standards approved by the European Commission under the CSRD Directive;
- ISO 14001:2015 – Environmental Management Systems. Requirements and guidelines for use.

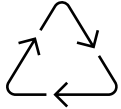
5.1 Within the framework of environmental policy, four strategic directions have been identified:

1. **Climate and energy** — actions to reduce greenhouse gas emissions and increase energy independence and energy efficiency.
2. **Natural resources and land use** — initiatives in the areas of biodiversity, pollution reduction, water resources management and sustainable agriculture.
3. **Sustainable supply chain** — the formation of a transparent, ethical and environmentally responsible system of interaction with business partners.
4. **Circular economy and waste management** — development of solutions for waste reduction, resource reuse and sustainable packaging.

For each area, the MHP Group has set **goals and commitments** aimed at minimizing the negative impact on the environment, adapting to climate change, protecting natural resources and developing the principles of the circular economy.



1.Climate and Energy



Minimizing climate change

Goal 1

Accounting, monitoring and reporting of greenhouse gas emissions

Commitments

- Regularly report on greenhouse gas emissions (Scope 1, Scope 2 and Scope 3)
- Improve the accuracy of greenhouse gas emissions calculations

Goal 2

Reduction in greenhouse gas emissions by 22% by 2030, compared to the base year

Commitments

- Minimize GHG emissions from manure management and improve sustainable biogas/biomethane production practices
- Reduce energy consumption from fossil sources
- Achieve zero greenhouse gas emissions from purchased electricity
- Reduce fuel consumption intensity in own logistics
- Increase the use of renewable fuels in own logistics
- Implement measures for the electrification of vehicles and equipment
- Reduce GHG emissions in the supply chain
- Develop and innovate to reduce greenhouse gas emissions

1.Climate and Energy



Energy consumption

Goal

Sustainable energy consumption

Commitments

- Increase the energy independence of production processes
- Implement resource efficiency management systems and energy efficiency measures



Adaptation to climate change

Goal

Increasing MHP Group's resilience to physical climate risks

Commitment

- Development of a adaptation plan to the identified physical climate risks and their integration into the risk management system of MHP Group

2. Natural resources and land use



Biodiversity and ecosystems

Goal

Conservation and restoration of biodiversity and ecosystems within the territories of MHP Group's activities.

Commitments

- Assess the biodiversity-related impacts, risks and opportunities
- Implement measures for the conservation and restoration of biodiversity
- Avoid deforestation* and the conversion of biodiversity-important areas that are protected under legislation from agriculture and/or infrastructure development



Sustainable agriculture

Goal

Implementation of sustainable land use practices

Commitments

- Implement precision and regenerative farming practices
- Develop a culture of sustainable soil management aimed at preserving fertility, increasing soil biological activity and restoring degraded lands.
- Promote the use of nature-based solutions in agriculture to prevent pollution and increase the sustainability of agricultural systems.



Water resources

Goal

Ensuring sustainable water resources management and reducing the impact on aquatic ecosystems

Commitments

- Carry out regular accounting of water resources used and monitoring the quality of discharges.
- Reduce water consumption where possible by improving water efficiency.

****Deforestation** is the conversion of a natural forest that is not agricultural land into other types of land use (e.g. agricultural land, plantations), or its severe degradation, which leads to the loss of ecological functions.

3. Sustainable supply chain



Sustainable supply chain

Goal

Building a transparent and responsible supply chain that takes into account environmental, social and governance aspects.

Commitment

Collaborate with suppliers and supply chain partners to achieve MHP's environmental and climate goals.

4. Circular economy and waste management



Circular economy and waste management

Goal

Reducing waste generation and implementing circular economy principles in production and logistics processes.

Commitments

- Avoid and/or reduce waste in the activities of the MHP Group, maximizing the reuse, recycling and recovery of materials from production flows
- Investigate the reuse of food waste
- Ensure recyclability and environmental friendliness of packaging in accordance with European standards

6.1. Responsibility

Control over the implementation of this Policy is carried out by the Director of the Department for Methodology and Implementation of Sustainable Development Goals in the Technological Sphere.

6.2. Monitoring

MHP carries out regular environmental monitoring of activities at all management levels. The monitoring system covers control over the use of natural resources, waste management, emissions into the atmosphere, water use, land management, as well as compliance with the requirements of national environmental legislation, international standards and internal policies of the Group.

The monitoring results are used to analyze environmental impacts, to assess risks, and to update indicators in the field of environmental management.

6.3 Reporting

MHP reports on the results of its environmental activities through annual reports published on the official website of MHP and through other communication channels.



7.1. The Policy enters into force from the moment of its approval and is mandatory for all enterprises and structural units of MHP Group involved in the implementation of environmental goals, programs and obligations.

7.2. The Policy shall enter into force from the moment of its approval by the Board of Directors and shall be reviewed at least once every three years.

