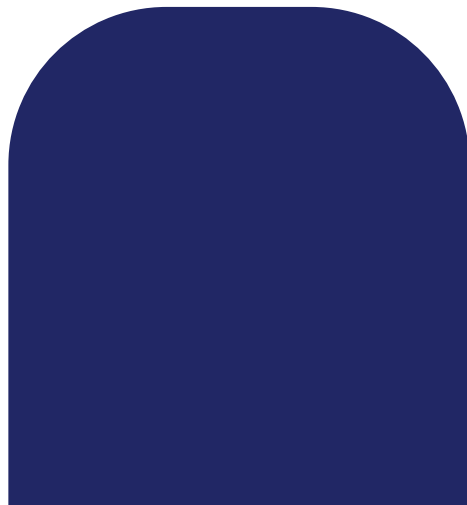


# Growing Responsibly



2023 Environmental, Social, and Governance Report



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# About Utz

Our founders, Bill and Salie Utz, thought snacks should be crafted with care from simple ingredients. Starting right in their hometown kitchen in Hanover, Pennsylvania, they made their first batch of potato chips in 1921, and laid the foundation for Utz Brands, Inc. From those modest beginnings more than a century ago, they launched what is today a dynamic, publicly traded company committed to delivering superior snacks to market.

From Hanover, where the first chip was made, we continue to innovate Utz products to optimize quality, flavor, freshness, and variety. Our portfolio of iconic snack brands is distributed nationwide through various channels, including groceries, mass merchandisers, clubs, convenience stores, drug stores, and online platforms. With manufacturing facilities strategically located across the United States, we efficiently serve a growing customer base through Direct-Store-Delivery (DSD) and Direct-to-Warehouse (DTW) channels, and online sales channels.

Though much has evolved since our founding, such as our public listing in August 2020, our core environmental and social values guide our continued growth, supporting our ongoing evolution and expansion.

## 2023 at a Glance<sup>1</sup>

**102**

Years in business

**3,400**

Associates (FTE)

**~83,600**

Retailers & Distributors served

**\$1.4B**

Net sales

**156**

Production sites, offices, and warehouses

**~37,300**

Online Consumers served

**\$187M**

Adjusted EBITDA

**~1,400**

Unique product SKUs

**~10,600**

Suppliers

<sup>1</sup> All data is for the fiscal year 2023.

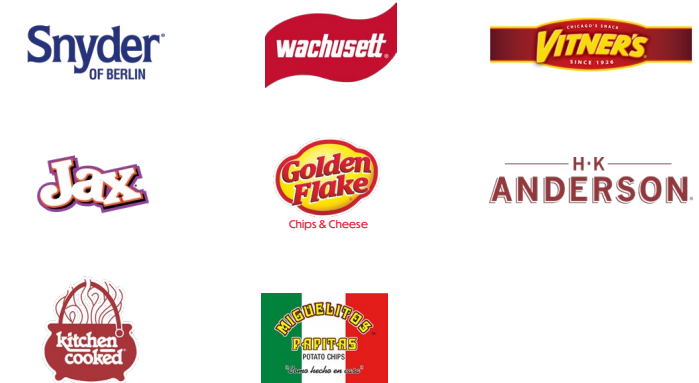
## Utz Brands at a Glance

Our Power Four Brands have higher growth potential and a greater opportunity for national expansion. In addition to our Power Targeted Brands, they benefit from a stronger potential for value-added innovation and enhanced responsiveness to consumer marketing compared to our Foundation Brands.

### Power Four Brands<sup>1</sup>



### Foundation Brands<sup>4</sup>



### Power Targeted Brands<sup>2</sup>



<sup>1</sup>In 2024, we further differentiated these brands.

<sup>2</sup>In FY23, Good Health was part of our portfolio. In early FY24, we divested this brand.

<sup>3</sup>In 2024, these brands transitioned to our Power Brands.

<sup>4</sup>In FY23, RW Garcia was part of our portfolio. In early FY24, we divested this brand.

We pride ourselves in spreading joy through crunchable moments and have a passion for snacks that our associates enjoy creating, our customers value selling, and consumers love eating. We do this while upholding commitment to respectfulness, collaboration, accountability, and excellence.

**At Utz, our values are as follows:**



**We act with respect, care, and inclusion.**



**We are collaborative and work in an integrated way.**



**We focus on planning, ownership, accountability, and results.**



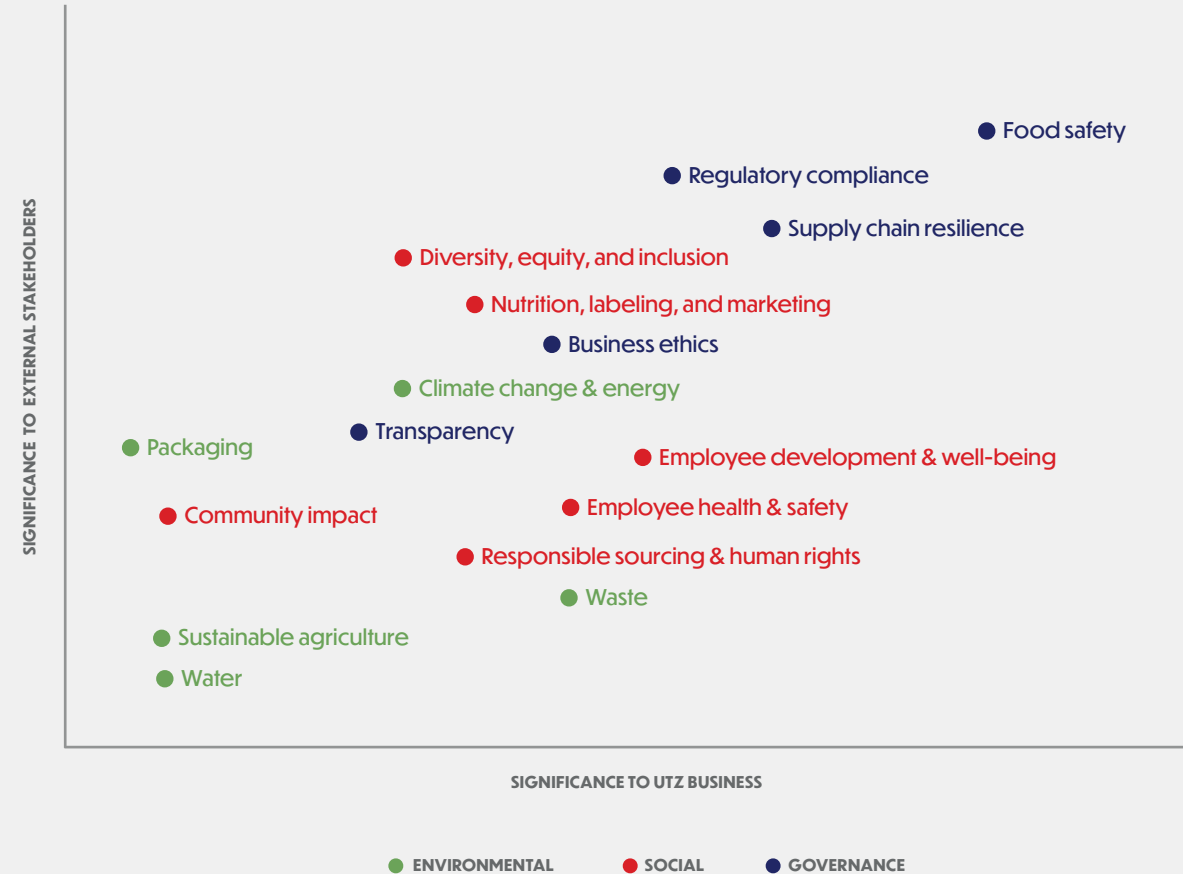
**We continuously pursue excellence.**

## Managing Our Impact

We believe that a commitment to high standards in environmental, social, and governance (ESG) matters is integral to our long-term success. Led by our Management Team ESG Committee, with oversight from our Executive Leadership Team and our Board of Directors' Nominating and Corporate Governance Committee (NCGC), our ongoing ESG efforts continue to build a strong foundation of sustainable business practices.



## OUR MATERIALITY ASSESSMENT<sup>1</sup>



<sup>1</sup> Our updated Materiality Assessment was conducted using internally sourced data to understand the perspectives of internal and external stakeholders, helping us to identify and prioritize our areas of impact.

# A Letter from Our CEO

## Dear Stakeholders,

Welcome to our 2023 Environmental, Social, and Governance Report. In 2023, our net sales remained stable at \$1.4 billion, and our Adjusted EBITDA increased 9.8% to \$187M. As we continue our journey of growth and modernization, we remain rooted to our core principles of quality, integrity, and sustainability. I believe that our financial performance and long-term success are closely tied to our sustainability performance. That's why, as we invest in growth, we will work to minimize our environmental footprint and enhance our support of our associates and communities.

This, our third report, provides a transparent account of our current sustainability performance and future objectives across our material impact areas, and I welcome feedback from you, our stakeholders.

### Our Values Guide Our Growth

In 2023, we made significant strides forward while also recognizing the challenges that lie ahead. Throughout our journey, our commitment remains steadfast: to create and deliver beloved products with our people and sustainability impacts always being considered.

We have remained dedicated to fostering a safe, healthy, and inclusive workplace. We surpassed our 2025 diversity goals two years ahead of schedule. With nearly 30% women and 10% people of color in senior leadership positions, we've made substantial progress.

Our focus on diversity, equity, and inclusion initiatives and enhanced associate engagement programs contributed to a remarkable 26.7% decrease in voluntary turnover in 2023. We've also expanded our wellness offerings, providing access to direct primary care and prioritizing preventative mental health initiatives.

We have made significant progress towards more sustainable processes and products in 2023. Through network optimization and facility consolidation, we've achieved a 16.6% reduction in Scope 1 and 2 greenhouse gas (GHG) emissions. We are also looking at the sustainability of our packaging. We redesigned our iconic snack barrels to reduce resin use by nearly 100,000 pounds per year. This year, we established an environmental improvement strategy, identifying programs and processes to implement in the short, medium, and long term which aim to set associated targets. We also engaged with our three largest agricultural suppliers to begin to understand the extent of our Scope 3 emissions. We intend to build on this foundation and extend our GHG accounting to cover Scope 3 activities.

Throughout these initiatives, our ESG Committee has provided oversight, ensuring that the principles of our governance framework guide our progress. None of this would have been achievable without the dedication and innovation of our associates. I extend my heartfelt gratitude to everyone who has contributed to Utz's sustainability journey during this time of significant change.

### An Exciting Road Ahead

At Utz, we are making our people, our communities, and sustainability integral to how we do business. By fostering a culture that champions sustainable practices and cares for people, we ensure we are best positioned to serve the snack-loving customers of the future. The strides we have made this year, detailed in this report, are a strong foundation for the significant goals we are setting for ourselves going forward.

Thank you for your continued support. Together, we can ensure the responsible growth of our business and the well-being of the communities we serve.

Sincerely,

**Howard Friedman**, Chief Executive Officer, Utz Brands, Inc.





**Coast to Coast** Our journey of growth is rooted in quality, integrity, and sustainability as we expand our offerings nationwide.



# 2023 at a Glance

**~27%**

Women in senior leadership positions<sup>1</sup>

**~10%**

People of Color (POC) in senior leadership positions

**\$110,000**

Contributed to industry initiatives fostering sustainability within our supply chain

**Implemented Unconscious Bias and Sense of Belonging Management Training** to empower our teams to cultivate inclusive environments

**Improved our safety performance** by reducing our Total Recordable Incident Rate (TRIR) and Days Away, Restricted, or Transferred (DART) rates in manufacturing by 10% and 2%, respectively

**Reduced flexible film packaging** by transitioning to thinner gauge film in our product packaging, saving nearly 52,000 pounds of material

**1,321 metric tons**

of CO<sub>2</sub>e saved by enhancing logistics efficiency through transportation consolidation

**95%**

Average score maintained on the Safe Quality Food (SQF) certification across our manufacturing plants

**Reduced unsold product waste** through strategic measures such as outlet sales and donations

**Promoted portion control** by providing 97 Utz products in convenient sizes of three ounces or less

**Commitment to ethical standards** as 100% of management and newly hired associates have acknowledged our Business Code of Conduct & Ethics

<sup>1</sup>Senior leadership roles include Executive Vice Presidents, Senior Vice Presidents, Vice Presidents, Senior Directors, and Directors.

# People



Since the Utz story began in 1921, we have held true to our founding family’s values in our workplace culture and in our commitment to supporting communities we serve. We prioritize the well-being and development of our associates because it is integral to our core values and fuels our success.

In 2023, we enhanced our developmental opportunities, are ahead of schedule on our aspirational diversity goals, and created more opportunities for associate engagement to reinforce our culture of inclusion and belonging.



**In This Section:**

Health and Safety | Training and Communicating | Diversity, Equity, and Inclusion | Recruitment and Hiring | Professional Development | Community Support | Supply Chain Responsibility

# Health and Safety

We believe that a safe and healthy workplace is essential, and that ensuring the safety, health, and well-being of all our associates is our most important responsibility. Our Operational Health & Safety strategy is based on creating a culture of collective learning and continuous evolution to build the systems and culture that safeguard all our associates.



## Operational Health & Safety Program & Strategy

Our Operational Health & Safety Program is the foundation of our commitment to ensure the safety of our associates and workplaces. Aligned with the Occupation Safety and Health Administration's (OSHA) 1910 standards, our program ensures compliance with all regulatory requirements. We also draw best practice guidance from the International Organization for Standardization and other respected standards to inform and evolve our strategy. While all of our associates are covered by our program, it is not OSHA or ISO certified.

Adhering to OSHA guidelines is essential, and any instances of noncompliance are promptly rectified. Recognizing the need for consistent safety protocols as we grow, we intensified our focus in 2023. Our goal is to align all workplaces with this common high standard and introduce new businesses to our safety culture, providing them with the resources they need to meet our expectations.

# Training and Communicating



## Leadership

Our safety culture begins at the top. Ensuring that our leaders and supervisors are well versed in health and safety policies and procedures helps to establish an environment in which all associates are committed to our safe working practices.

We host monthly leadership meetings in our manufacturing and logistics distribution centers (DCs) to share and discuss safety issues and any concerns that occurred. Manufacturing plant leadership is also supported through a monthly call to share compliance-related best practices and discuss the previous month's summary of accidents and incidents. These meetings include a training item specifically designed to ensure we learn from recent incidents and share the knowledge between our plants.

In 2023, we hosted the Corporate Safety Summit, where our Safety Team met to discuss the progress of 2023 safety initiatives and focused on goals and objectives for 2024. During the summit, we focused on confined space safety, ergonomics, and machine guarding. We subsequently engaged an external consultant and are working to prioritize opportunities for improvement.



## Distribution Centers

In our regional DCs, we drive home our safety message from the factory floor to create buy-in from all team members. We provide safety orientation for new associates, supported by an assigned area supervisor to explain key points of the presentation. We learn from near miss incidents, where an accident or injury almost occurred, by issuing Safety Alerts. Drawing attention to near misses reduces the likelihood of actual injury and reinforces our message that safety is everyone's job. In 2023, we increased our focus on near miss reporting by reviewing all incidents to alert us to potential risks and take steps to eliminate them.



### Manufacturing Sites

Our manufacturing sites use a multipronged approach to associate safety. A safety scorecard guides management and associates through a three-step process: a safety-specific monthly training event, a site inspection walk-through, and a training element. The focus of the training element is decided by the plant’s Safety Team and can include a Safety Cross, an incident-tracking and communication tool that illustrates safety performance through team participation. In 2023, we updated our manufacturing safety scorecard to include daily, weekly, and monthly safety discussions during each team member meeting.

Our safety trainings are provided in a variety of formats, including workgroup safety debriefs, presentations, and a video library. In 2023, we implemented a new health and safety-specific learning management system through Alchemy, our workplace safety training platform. We also developed an annual Safety Calendar for each manufacturing plant. The calendars comprehensively document all key activities scheduled throughout the year. They assign owners to each task and meticulously track progress on various topics, such as inspections, monthly trainings, and location-specific agency requirements – including permits, mandatory reports, and other essential content.



### Speaking Up on Safety

An important element of our Health and Safety strategy is creating a culture in which all of our associates feel empowered and encouraged to report safety concerns. To this end, Utz has an Open Door Policy for associates to raise concerns about safety directly through their supervisor, Human Resources, any Executive Officer, and our Corporate Compliance Officer. Our safety program audits solicit feedback from both full-time and hourly associates and assesses their level of comfort about reporting safety concerns. Additionally, associates and third parties can raise a concern anonymously through our toll-free and online Code of Conduct Hotline, available 24 hours a day, 365 days a year. We investigate, document, follow up, and address root causes of safety issues to avoid any further incidence of harm.



### Site-Specific Risk Assessments

The safety needs of each workplace differ across our network of 16’ manufacturing plants and 140 other facilities. We assess the unique health and safety risks of each, and tailor our programs accordingly. Our risk-monitoring strategy begins with job safety analyses – these include risk assessments designed to identify all possible causes of injury, from minor slips and trips to potentially more serious incidents resulting from vehicles or machinery, and initiate preventative action.



### Our Safety Leadership Award

Nominees for this valued award demonstrate outstanding leadership by making safety a top priority in their daily activities. These individuals not only lead by example, but also prioritize the welfare of their team members. In 2023, Casey Brinkerhoff earned this esteemed award for his dedication to fostering a culture of safety.

<sup>1</sup> Our report includes data from the 16 plants we owned and operated during fiscal year 2023. However, by the end of fiscal year 2023, Utz owned and operated a total of 13 manufacturing plants.



### Auditing our Sites

The Management Teams at each plant conduct rigorous monthly inspections of their premises that include equipment, the work site, and associate behavior and work practices. The findings are submitted to our Environmental Health and Safety (EHS) Team, which tracks the data on our Manufacturing Safety Scorecards. In 2023, we took an extra step by hiring an independent partner to assess our manufacturing plants. This contract, involving deep dive audits at four strategically selected manufacturing facilities, added another layer of assurance to our regular internal audits.

The external audits identified key areas for improvement, particularly in associate engagement. We prioritized addressing any immediate issues and increased discussions on safety topics during team meetings and in new safety training formats.



### Learning from Safety Metrics

Our OHSS adopts an evidence-based approach to provide a comprehensive understanding of the causes of incidents and how to prevent them. We monitor actual incidents using industry standard metrics: TRIR and DART rates. We meticulously document the causes of all injuries to identify recurring patterns. In the event of an injury, we conduct investigations to fully understand the circumstances and root causes, ensuring that corrective actions are precisely tailored to prevent future occurrences. Alongside injury metrics, we leverage near miss reporting to uncover potential risks in our manufacturing plants that may not be adequately addressed by current procedures or equipment. We foster a culture of transparent reporting, encouraging all associates to disclose near misses without fear of reprisal. These incidents are meticulously tracked, and we issue One Point Lessons and Safety Alerts, as necessary, to mitigate risks effectively.

#### TRIR<sup>1,2</sup>

	FY21	FY22	FY23
Utz Sales TRIR	4.1	2.4	2.5
Sales Industry Average TRIR	5.4	5.4	5.4
Utz Manufacturing TRIR	3.9	4.9	4.4
Manufacturing Industry Average TRIR	4.9	4.9	4.9

#### DART<sup>1</sup>

	FY21	FY22	FY23
Utz Sales DART	3.6	2.2	2.3
Sales Industry Average DART	4.0	4.0	4.0
Utz Manufacturing DART	3.3	4.3	4.2
Manufacturing Industry Average DART	3.5	3.5	3.5

<sup>1</sup>We split our TRIR and DART rate by sales and manufacturing to align with our organizational structure and account for varying risk levels within each group.

<sup>2</sup>During the fiscal years spanning from FY21 to FY23, there were no work-related fatal accidents involving our associates.



### Health and Safety Performance Analysis

In 2023, our manufacturing TRIR and DART rates decreased 10% and 2%, respectively. This is due to increased focus on safety and health program initiatives. Our Sales Teams' TRIR and DART rates increased by 2% and 7% , respectively.

Our most frequent cause of injury incidents are associates being struck by an object. Other leading causes, including slips, forklift-related injuries, and overexertion, are detailed in the accompanying chart. We review this data monthly and present it to our Executive Leadership Team at least four times a year. Additionally, during monthly safety calls, manufacturing plant leadership and select members of the Executive Leadership Team examine these metrics.

As part of our ongoing commitment to safety, we are diligently working to instill a robust safety culture at all of our facilities. We recognize its critical importance and are investing resources to enhance our safety initiatives. Moving forward, we are dedicated to aligning with best-in-class safety practices and continually improving our safety standards across all operations.

#### TOP CAUSES OF INJURY

Injury Cause	Incidents
Struck by an Object	70
Slip	64
Forklift-related Injury	58
Overexertion	52
Struck Against an Object	47
Other	38
Trip	37
Strain	30
Caught in Equipment or Object	27
Cut by an Object	23



# Diversity, Equity, and Inclusion

Our people are our most valuable asset, and we are committed to supporting their careers and well-being. We prioritize inclusion and collaboration, with the intention that every individual will feel valued and empowered. Our expectation is that we interact with respect, accountability, and care, which leads to feelings of belonging and unlocks potential.



## Our Three-Year Diversity, Equity, and Inclusion Strategy

Our three-year strategy to advance diversity, equity, and inclusion (DEI) across the company, adopted in 2021, outlines specific goals, initiatives, and projects to guide and monitor our progress.

In 2023, we established a solid foundation for further embedding DEI principles into our daily operations, policies, processes, and learning and development offerings. We further integrated DEI-focused Objectives, Goals, Strategies, and Measures (OGSMs) into our Human Resources (HR) agenda. Additionally, we enhanced communication channels, including LinkedIn, to ensure DEI-related content is readily accessible for both current associates and potential new talent.

## GOALS TO ACHIEVE BY 2025



**30%**

Women in Leadership



**10%**

People of Color in Leadership

In 2023, we met our People of Color (POC)<sup>1</sup> in Leadership goal of 10%, and raised our women in Leadership to 27%. As we move forward in 2024, we plan to continue our improvement in senior leadership representation as well as expand our programs while working towards embedded DEI into our ways of working. In 2025, we will set new representation goals for the company. Our recruitment strategies focused on finding the best candidate for the role, and that led to steady improvement over 2022.

The more than 60 member strong Utz Inclusion and Diversity Council additionally strives to ensure that all associates feel included, supported and advocated for in the workforce. Our focus on training and development includes providing DEI training opportunities for all associates and mandatory leadership training to promote an inclusive workplace culture.

As part of our DEI strategy, we are committed to creating a workplace free from discrimination. Our [Anti-Discrimination/ Harassment Policy](#) is available on our ESG website page and outlines this commitment and our expectations for all Utz team members.

<sup>1</sup>POC includes individuals who self-identify as American Indian/Alaskan Native, Asian, Black, Latino, Native Hawaiian/Pacific Islander, and/or two or more races.





## Associate Engagement and Retention

We engage our associates to understand the impact of our initiatives and integrate their feedback into our goals and strategies. By collecting and analyzing this feedback, we gain insights into the specific needs of our workforce, enabling us to focus our programs more effectively. Associate engagement begins during onboarding, where we solicit feedback through a survey of our hiring process, including any challenges encountered. We carefully monitor survey results to pinpoint areas for improvement.

In 2023, we launched Unconscious Bias Training and Sense of Belonging Training programs, expanding our DEI training initiatives. These programs were designed to educate our associates on key elements of DEI and improve our overall understanding. In 2024, we are planning on expanding our training curriculum further as well as source facilitator-led training.

In 2023, our team prioritized associate engagement and retention through a range of initiatives that yielded a reduction in turnover. For example, our Ambassador Program pairs newly hired associates with seasoned colleagues, creating a sense of belonging in a supportive environment from day one. We continue to support

long-term careers with our Retention Playbook, which includes multiple programs to engage our associates and make them feel welcome. To further bolster engagement, we have revamped Crunch Connection, which is our internal social media platform. Enhancing engagement and connectivity remains a top priority for us.

Our retention and engagement programs are showing initial signs of progress. In 2023, we reduced voluntary turnover from 36.0% to 26.4%, a 26.7% decrease. Total turnover (voluntary and involuntary) reduced from 46.5% to 35.9%, a 22.8% decrease.

ASSOCIATE TURNOVER		
	Total Turnover	Voluntary Turnover
Utz	35.9%	26.4%
Nondurable Goods Manufacturing Industry Average <sup>1</sup>	45.6%	29.9%



### The Utz Inclusion and Diversity Council

In 2022, we formed Utz’s Inclusion and Diversity Council (UIDC) to educate our associates on DEI topics, marking a significant step forward in our company’s DEI journey. Currently, we have over 60 associate volunteers actively engaged in UIDC, and this number continues to grow. The Council convenes twice a month to ensure that DEI principles are seamlessly integrated into our workplace and business.

In 2023, the UIDC expanded its outreach by establishing several working groups, including the Communication Committee, Sales Team Committee, Manufacturing Facilities Committee, and Events Committee. These committees facilitate the sharing of information on various DEI aspects, advocate for DEI initiatives, and promote participation from all members. For instance, we held a company-wide potluck event in which over 500 associates participated by sharing food and recipes connected to their culture. Also, through our Employee Assistance Program (EAP), Carebridge, we launched a course on LGBTQIA+ allyship tailored for UIDC members. Effective communication within the UIDC is a model for internal communication effectiveness and plays a crucial role in empowering members to champion DEI initiatives.

<sup>1</sup>Data sourced from the Bureau of Labor Statistics – Nondurable Goods Manufacturing Industry Average.



**People to Planet** Our values and integrity guide our commitment to our people, communities, and the environment.

# Recruitment and Hiring



## Diverse Hiring

We rely on a strong talent pipeline that includes candidates with diverse skills and experiences to effectively meet our evolving business requirements.

## Partnership

We partner with colleges and workforce development organizations to build and expand our apprenticeship, seasonal, and internship programs; arrange on-site student informational sessions and tours; and more effectively recruit from college career fairs.

## Recruitment

Our job opportunities are advertised on a wide range of diversity-focused job boards and through outreach agencies. We collaborate with recruiting firms specializing in providing diverse candidate pools, including veterans, military spouses, women, BIPOC (Black, Indigenous, People of Color), individuals with disabilities, and other historically underrepresented and marginalized groups. Our talent recruiters conduct targeted searches for diverse talent, enhancing the diversity of our candidate pools. In 2023, we integrated LinkedIn Recruiter into our Applicant Tracking System (ATS), significantly expanding and further diversifying our 2023 talent pool compared to 2022.



## Diversity Performance

We are encouraged with the progress made in increasing the representation of women and people of color in senior leadership roles at Utz.

In 2023, the percentage of women in senior leadership positions rose to 27%, increasing from 25% in 2022. We take pride in having more women occupying decision-making positions within our company. During the same period, the representation of people of color in senior leadership positions increased to 10% in 2023, up from 8% in 2022. This success reflects our commitment to comprehensive DEI strategies, which we will continue to use to foster diverse representation at our senior leadership level.

We are on pace to exceed our representation aspirations set in 2021 by 2024, one year ahead of schedule. Looking ahead to 2025, we will be establishing new representation goals for gender and racial diversity.

## Senior Leadership

### GENDER DIVERSITY IN SENIOR LEADERSHIP

	2021	2022	2023
Male	113	120	122
Female	22	40	45
<b>Total</b>	<b>135</b>	<b>160</b>	<b>167</b>

### POC<sup>1</sup> IN SENIOR LEADERSHIP

	2021	2022	2023
White	126	148	150
POC	9	12	16
<b>Total</b>	<b>135</b>	<b>160</b>	<b>167<sup>2</sup></b>

### WOMEN IN SENIOR LEADERSHIP

2021	2022	2023
16%	25%	27%

### POC<sup>1</sup> IN SENIOR LEADERSHIP

2021	2022	2023
7%	8%	10%

<sup>1</sup>Includes all races except White.

<sup>2</sup>One associate did not specify their race but was included in the total; however, their data was not reflected in either the White or POC categories.

# Human Resources

Our approach to human resources is holistic, promoting individual empowerment within a framework of integrated ways of working.

We value and celebrate the achievements of our associates, providing comprehensive benefits, and cultivating opportunities for professional growth. At the core of our HR initiatives lies a steadfast commitment to promoting DEI in all aspects of our operations.



## Learning Management System

Our Learning Management System (LMS) offers our associates access to more than 70,000 online courses, covering a comprehensive array of topics such as leadership, business skill sets, and DEI subjects.



## Supporting Our Leaders

In 2023, we continued our Leadership Development Program, a monthly initiative covering topics such as effective communication, ethical management, credibility building, diversity, and inclusion, and achieving business goals efficiently. Based on feedback from trainees, moving into 2024, we will adjust the frequency of this program to quarterly sessions.

We also introduced mandatory quarterly training for our people in supervisory roles, focused on content that will allow them to be more successful in their leadership roles.

The training equips our leaders with advanced people management skills, enhancing the support they provide to associates, and promoting team collaboration.

Looking ahead to 2024, we plan to introduce a Supervisor Bootcamp that will help new leaders ramp up their leadership skills and equip them to be more effective from day 1. We also aim to expand our training offerings to include more leaders and supervisors.

**QUARTERLY SUPERVISOR TRAINING COURSES ROLLED OUT TO ALL LEADERS IN 2023**

Course	Completion Rate
Attendance	100%
Documentation	99%
Workers' Compensation 101	99%
Automatic Data Processing (ADP) Enhanced Time	98%



**Tuition Reimbursement**

One of the ways we foster the ongoing development and education of our associates is through our Educational Assistance Program. This program reimburses associates for their educational expenses, providing up to \$5,250 in reimbursement per calendar year, with a lifetime maximum of \$20,000. Eligible associates include regular, full-time associates who have completed a minimum of one year of employment, maintain performance standards, are actively on the payroll, and seek courses or programs relevant to their current position or future advancement opportunities with Utz.



**Executive Coaching Program**

Our Executive Coaching program was established in 2021 to invest in exceptional associates. The program provides personalized Executive Coaching tailored to leadership development, and each associate works through a capstone project while in the program. In 2023, 12 associates were selected by our Executive Vice Presidents to participate in the program, bringing the total program participation to 26. Our aim is to appoint at least 30 new executives to the Executive Coaching Program within the first five years.



## Benefits

### Promoting Health Through the Utz Health Care Clinic

Ensuring the health and well-being of our associates is a central component of our benefits package. We achieve this by offering a variety of health care plan options, direct primary care clinics, and physical, mental, and financial wellness benefits. For our full-time associates, their spouses, and dependents, Utz provides comprehensive health coverage with a focus on preventative care.

To reinforce our commitment to preventative care, we also offer access to an annual wellness rewards program designed to promote healthy behaviors. Participants earn gift cards by completing annual physical assessments and engaging in healthy activities. Activity engagement is tracked through a robust Healthy Utz resource portal that offers recipes, health trackers, courses, challenges, and exercise programs.

At our Hanover office, we operate a Health Care Clinic in partnership with a third-party vendor. This primary care clinic addresses total person health by offering free physicals, acute medicine, and chronic condition management to more than 1,000 people annually. The clinic offers free lab services, vaccinations, diabetic testing supplies, and generic medications. Clinic providers partner with the Utz Health and Wellness Team members to offer education and biometric screenings while collaborating to address any other health needs. We also partner with the clinic vendor to offer free tobacco cessation coaching sessions.

In 2023, access to direct primary care was extended to our associates nationally where our vendor partner, Everside Health, operated other employer-sponsored health clinics. An employer-sponsored clinic in York, Pennsylvania, allowed associates and family members in central Pennsylvania another option for direct primary care and reduced wait times and allowed associates to reap the benefits of a quality primary care experience. Looking ahead to 2024, we are enhancing our on-site care services by adding a nurse liaison to the Hanover on-site clinic staff to assist with triaging of cases and providing better support for associates to access needed resources and achieve improved literacy. This addition reflects our commitment to addressing social determinants of health and fostering cross-team collaboration.

#### ASSOCIATE ENGAGEMENT WITH WELLNESS OFFERINGS

Resource	Associate Use
Employee Assistance Program	30%
Utz Fitness Center	42%
Tobacco Cessation Program	32 associates
Wellness Rewards Program	32% onboarded





### Supporting Mental Wellness

Our Employee Assistance Program (EAP) is available to all associates and their families, and offers key mental wellness programming. Eligible associates can benefit from up to three thirty-minute counseling sessions annually, covering a range of topics including financial, legal, and mental wellness. We provide access to eMLife, a platform offering mental wellness support groups and mindfulness sessions, enhancing the resources available for mental health support. Our program includes unlimited work-life balance counseling sessions, ensuring comprehensive support for our associates' well-being.



CareBridge provides an additional support system for associates facing family related needs such as childcare, eldercare, and mindfulness. From 2022 to 2023, we witnessed a tripling of demand for these resources. This growth can be attributed to our heightened communication efforts and strategic placement of mental health resources at every interaction point.

In 2023, during Mental Health Awareness Month, we launched the Healthy Minds campaign with the aim of reducing the stigma surrounding mental health issues and reframing mental wellness as a source of strength. As we move forward into 2024, we are prioritizing investments in preventative mental health initiatives while continuing to raise awareness about the importance of mental wellness.

For select associates, we also offer flexible work arrangements. We further support the diverse needs of our associates through an internal Parental Leave Policy.



### Learning About Benefits

At Utz, we remain committed to breaking down barriers to health and addressing social determinants that prohibit individuals from living their healthiest lives. My Healthy Utz offers a suite of healthy living tools, the annual wellness reward program, and is a hub to learn about and access information on all of the Utz benefits.

In 2023, we educated and prepared our on-site clinic providers, vendor partners, and our health care navigator to assist our associates at every touch point with the most relevant Utz benefit resources. We leveraged the Crunch Connection app as another resource center and communication vehicle to help associates stay engaged and informed. In 2024, a relationship with our new partner, Allied Benefits, will allow for opportunities to integrate and optimize our current health care resources to make the member health care experience less complicated and easier to navigate. Expert case managers and customer advocates trained in our benefits will support in directing members to the highest quality care, with a focus on better health outcomes and management of health care funds.



# Community Support

Since the beginning, Utz has embraced giving back to enrich the communities in which we work and live. Through product donations, monetary contributions, associate volunteerism, and in-kind assistance, we strive to foster the development of stronger, more resilient communities.



## Utz Charitable Community Donation Policy

Utz believes in supporting nonprofit organizations in our communities. In 2023, the company introduced the Charitable Community Donation Policy and the process to coordinate donations, which aligns with our corporate social responsibility strategy and business goals. In 2023, Utz surpassed \$500,000 in combined monetary and food product donations to 501c-3 charitable organizations. To learn more about the Policy, visit the [Charitable Community Donation Policy](#).



## United Way

Utz enhances the impact of associate donations through a matching program with the United Way, amplifying individual contributions. In 2023, our internal program matched associates' donations, resulting in a combined contribution of roughly \$66,000 to the United Way.

# Supply Chain Responsibility

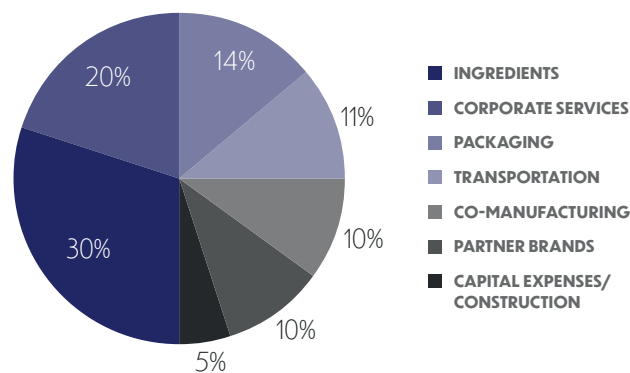
We maintain enduring relationships with many of our suppliers, allowing us to guarantee the quality and reliability of our raw material supply. As part of our ongoing commitment to sustainability, we began requiring in 2023 a contractual commitment from our suppliers to comply with our Supplier Code of Conduct as we seek to uphold ethical practices throughout our supply chain.



## Breaking Down Our Spend

Ingredients represent the largest portion of our procurement, accounting for 30% of our total spend. Of our agricultural suppliers, approximately 99% are located in North America. However, a small volume of ingredients, such as oil, and packaging materials, such as film, are sourced from regions outside of North America.

UTZ'S 2023 PROCUREMENT CATEGORIES BY SPEND



## Ensuring Responsible Conduct

Our **Supplier Code of Conduct** holds our suppliers accountable for complying with specified laws, regulations, and Utz standards. The Code aligns with the International Bill of Rights, the International Labor Organization's Declaration on Fundamental Principles and Rights at Work, the Organization for Economic Co-operation and Development, Guidelines for Multinational Enterprises, and the UN Guiding Principles on Business and Human Rights, as well as the Ten Principles of the UN Global Compact. When undertaking initial or renewal negotiations with suppliers, we require all to contractually commit to adherence to our Supplier Code of Conduct, which was most recently updated at the end of 2022. In 2023, acknowledgment of the Code was integrated into onboarding and renewals of all raw material and packaging suppliers.

Accessible on our website, the Code covers issues relating to sustainability, including business ethics, food safety and quality, environmental stewardship, land rights, nondiscrimination, and human rights. It explicitly prohibits suppliers from participating in practices that contribute to deforestation or biodiversity loss, while also encouraging them to disclose their environmental impacts and report their environmental performance.

Compliance with the Code is subject to verification through a range of mechanisms, including self-assessments, worker well-being surveys, and both announced and unannounced on-site third-party audits. Prior to conducting a food safety and quality audit of a supplier, we use a qualification process based on supplier documentation. In 2023, we visited three suppliers and conducted reviews of major quality and food safety programs. We anticipate conducting 10-15 audits in 2024. Suppliers are subject to rigorous pre-selection screenings for safety and quality. See more details about supplier screenings in **Product Quality, Safety, and Transparency**.

In 2023, we revised our Utz supplier scorecard with enhanced data collection to track supplier sustainability performance and progress. The new scorecards will be piloted in 2024. They are designed to quickly assess supplier performance, identify areas for improvement, provide our suppliers with feedback, and foster transparency and accountability throughout our supply chain.



## Risk Mitigation

We source ingredients from multiple growers spanning every region of the country and reaching into Canada. This intentional geographic spread mitigates the impact of climate change-related weather events, ensuring continuity of supply and safeguarding our production processes. Our suppliers also use similar practices to encourage diversity in their supply chains.

To further mitigate risk, we have added inventory storage capacity at our plants enabling normal production to continue during limited periods of reduced supply. This includes the installation of bulk oil tanks in Pennsylvania, with ongoing assessment into the feasibility of adding a flour silo. We have built-in additional flexibility by using different oils to produce the same product, without compromising quality or flavor. For instance, we substitute sunflower oil for corn oil when necessary and appropriate, ensuring consistent product excellence regardless of ingredient variations.



## Engaging Suppliers

Our responsible sourcing initiative is based on partnering with suppliers who share our ESG values. We believe that ecologically balanced soils and diverse ecosystems are vital for long-term agricultural productivity and environmental resilience. In our [Environmental Policy](#), learn more about our commitment to soil and biodiversity management within our supply chain.

To reinforce this commitment, we introduced new questions in our vendor selection process in 2023. We asked suppliers to describe their sustainability program by requesting:

- Environmental policies and practices to conserve energy, water, and raw materials
- Collection of data regarding Scopes 1-3 GHG emissions
- Methods of tracking waste generation and disposal
- Protocols for responsibly sourcing raw materials and components, supported by related certifications
- Documentation of any sustainability-related initiatives or collaborations with their own suppliers
- Willingness to collaborate on sustainability initiatives with Utz





## Sustainable Agriculture

We acknowledge the importance of responsible sourcing practices. We seek to promote sustainability across our supply chain through engagement with our suppliers. By attempting to partner with suppliers who share our commitment to sustainability, we aim to support practices that protect natural resources and promote the long-term health of ecosystems. Review our Environmental Policy for more information regarding our agricultural sourcing practices. In 2023, we met with our three largest food ingredient suppliers. Their sustainability practices include the judicious application of fertilizers, rotation of cover crops, and water conservation. Initiatives by these suppliers include:

- Increasing adoption of regenerative agriculture practices to drive carbon reductions and improvements in soil
- Developing and scaling practices that protect and conserve water resources with water quality and quantity targets, technology innovation, and stakeholder engagement

In 2023, we also met with nine potato growers, representing more than 25% of the 35 growers in our supply chain who provide us with potatoes for making products. Our on-site visits opened a dialogue with them to solidify our relationships and learn about their operations. Energy saving techniques, such as monitoring fuel usage and implementing methods to save fuel, are part of our growers’ practices.

Potatoes, one of Utz’s principal ingredients, are primarily grown using non-Genetically Modified Organism (GMO) practices. We also source a small amount of organic ingredients. See more about our ingredient certifications in [Product Quality, Safety, and Transparency](#).

Less than 10% of Utz products contain palm oil, mainly in pretzel shortening. We source palm oil from a large supplier who certifies a portion of its oil through the Roundtable on Sustainable Palm Oil (RSPO). We monitor the availability of RSPO-certified oil from our suppliers in our ongoing efforts for greater sustainability and transparency in our supply chain.

We support research initiatives aimed at improving the commodities we use in our products, with a significant focus on supporting farmers. We give financial support and contributions to industry and educational outlets, including those conducting research to optimize soil health, improve crop yields, and support business education.

In 2023, Utz committed more than \$110,000 to industry initiatives. Of that total, more than 20% supported university research.

We are proud affiliates of the trade organization, [Potatoes USA](#), the largest vegetable commodity board. Potatoes USA hosts a research advisory committee to evaluate industry needs and prioritize areas of potato research. Our contribution and affiliation with the organization supports research into higher quality products and protecting farm profits.

### AGRICULTURAL INGREDIENTS

Attribute	% of Total Sourced Ingredients
Non-GMO	77%
Organic <sup>1</sup>	1%

<sup>1</sup>With the sale of our organic brands Good Health® and R.W. Garcia® at the start of 2024, organic spend may change.

# Planet



At Utz, we recognize the importance of minimizing our environmental footprint and operating more sustainably. Our environmental stewardship reduces our environmental footprint, drives more efficient use of resources, and in turn, reduces our expenses and future-proofs our business.

As we invest in a major program of plant rationalization and reorganization, we are building best-in-class environmental practices, energy efficiency measures, and stronger control systems.



## In This Section:

[Environmental Management](#) | [Ten Core Fundamental Principles](#) | [Climate Impact](#) | [Waste and Water](#)

# Environmental Management

We are committed to managing our operations to minimize our environmental impact in compliance with all environmental regulations. Our materiality assessment, conducted in 2022, guides us in prioritizing our environmental management initiatives.

Our most significant operational environmental issues are climate impact management, waste reduction and recycling, and water conservation and protection.



## Environmental Compliance

We take a proactive approach to achieving compliance with all federal, state, and local regulations. This involves regular audits and comprehensive training for our associates to identify and promptly address any compliance issues that emerge.

Our environmental compliance program is designed to monitor and manage various aspects of our facilities where applicable, including:

- Wastewater
- Stormwater
- Emissions to air
- Waste, including hazardous waste
- Storage tank and related management
- Environmental disclosure obligations

We aim to achieve continuous improvement in environmental performance by identifying and implementing opportunities for impact reduction. In 2023, we focused on enhancing environmental management capabilities by expanding our staff.



## Notices of Violations and Instances of Noncompliance

In 2023, we received one notice of violation (NOV) related to environmental matters due to a caustic spill into a neighboring stream. We promptly addressed the situation upon discovery. Immediate actions included shutting off the responsible equipment to prevent further discharge and promptly notifying the National Response Center (NRC) and Pennsylvania Department of Environmental Protection (PADEP). Our response also involved covering costs associated with the spill, amounting to \$1,098, which included \$321 for damages and \$777 for emergency response cost recovery.

We had 65<sup>1</sup> instances of noncompliance where municipal wastewater authorities imposed surcharges for processing excess wastewater loads. Two of our plants, Grand Rapids and Las Vegas, are responsible for approximately two-thirds of these wastewater exceedances. To rectify this, we are implementing wastewater treatment improvements at these facilities to ensure consistent ongoing compliance.

At our Grand Rapids facility, significant improvements have been made to pretreatment operations. This includes the installation of a flow meter and engaging a new chemical supplier and controller. In 2024, we sold our Las Vegas facility. Prior to sale, we added pH control improvements and Best Management Practices (BMPs) to effectively process and remove oil and grease from the wastewater.

To systematically minimize future NOV's and instances of noncompliance across all sites with compliance issues, we have completed a comprehensive third-party review of all wastewater treatment systems and contracted an engineering firm to address any identified deficiencies.



## Environmental Audits

We conduct thorough on-site audits of our manufacturing plants and large, regional non-sales distribution centers. These audits evaluate the effectiveness of existing practices, identify potential risks, and pinpoint areas for improvement. Manufacturing facilities undergo regular audits, with certain locations visited as frequently as once per month. Our warehouses are audited once to twice a year and distribution centers undergo less frequent environmental auditing, reflecting their lower compliance risks.

In 2023, we used our Plant Environmental Management Audits to identify and rectify any noncompliance environmental areas and to constantly improve performance and operations. These audits were performed with respect to applicable laws, regulations and individual license and permit requirements including monitoring, recordkeeping, and reporting. We did not identify any significant instances of noncompliance. We have commissioned energy audits to be completed in early 2024.

<sup>1</sup>Data from 2022 was incomplete and 2023 will now serve as our baseline year.

# Ten Core Fundamental Principles

Utz's Ten Core Fundamental Principles are practices we have put in place across our operations to reduce our environmental impact. These practices fall into four focus areas: energy, transportation, waste, and recycling. These Principles are communicated across the company and were discussed at our Annual Operating Plan management team meeting.

- 1 **Reuse and recycle cardboard boxes multiple times and recycle paper in our offices**
- 2 **Recycle excess packaging stocks**
- 3 **Utilize both highly recyclable polyethylene terephthalate (PET) 1 and low-density polyethylene (LDPE) 4 plastics in our packaging**
- 4 **Recycle and remediate cooking oils used to produce snack food products**
- 5 **Repurpose food waste into animal feed for local community farmers**
- 6 **Conduct regular portfolio rationalization to reduce and remove inefficient product lines and individual items**

- 7 **Optimize water use in our facilities through a regenerative process and support business partners, such as potato growers, in limiting water use**
- 8 **Make efficiency investments in our facilities, which include the use of LED lights and solar panels in select facilities**
- 9 **Continually evaluate our shipping methods and means of loading shipping trailers, including finding innovative ways to ship more products on fewer trucks**
- 10 **Work with our Transportation Team and distributors to identify the best, most efficient routes to avoid traffic, reduce idling time, and generate the most efficient retail trips through route mapping**

● RECYCLING ● WASTE ● ENERGY ● TRANSPORTATION





**Farm to Consumer** We work to deliver high-quality, sustainable products and processes at every step.

# Climate Impact

Threats posed by climate change, including dwindling natural resources, unpredictable weather patterns, and planetary degradation, impact communities around the world. In line with our values and the moral imperative to do our part, we are working to reduce our GHG emissions and continually improve energy and transportation efficiency throughout our operations.

In the second quarter of 2024, we developed and published an [Environmental Policy](#) that outlines our commitments to resource efficiency, reporting, stakeholder engagement, emissions reduction, and compliance.



## GHG Emissions

In 2023, we calculated our Scope 1 and 2 GHG emissions for the second year under the guidance of our ESG management team committee. Our Scope 1 and 2 emissions were 90,194 metric tons of carbon dioxide equivalent (CO<sub>2</sub>e). The primary source of our Scope 1 emissions is natural gas combustion in our manufacturing processes. Our Scope 2 emissions are due to our facilities' electricity consumption. In 2023, our Scope 1 and 2 emissions decreased by 16.6% compared to 2022, due to our network optimization efforts. This included reducing the number of owned and operated plants from 16 at the beginning of the year to 13 at the end of the year.

### SCOPE 1 AND 2 CARBON EMISSIONS (METRIC TONS CO<sub>2</sub>e)

	2022	2023
Scope 1	85,786.3	70,379.0
Scope 2 (Location-based)	22,401.9	19,815.0
Total Scope 1 and 2 emissions	108,188.2	90,194.0

### EMISSIONS INTENSITY (METRIC TONS CO<sub>2</sub>e/\$ MILLION REVENUE)

	2022	2023
Emissions intensity	80.31 <sup>1</sup>	59.02 <sup>2</sup>

<sup>1</sup> Our revenue was adjusted to exclude one acquisition and one closed site in FY22. Our adjusted revenue was \$1.347 billion.

<sup>2</sup> Our revenue in FY23 was \$1.528 billion.



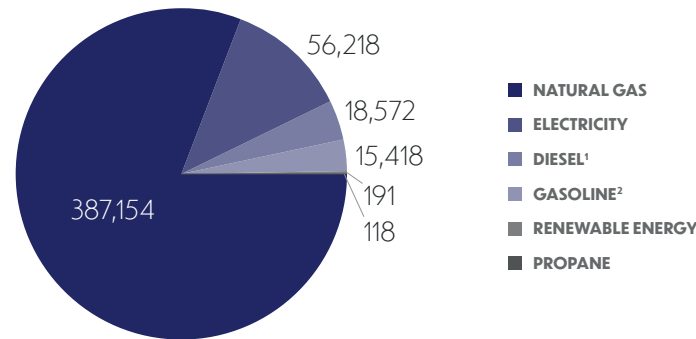
## Energy Management

In 2023, Utz's total energy consumption was 477,671 megawatt hours (MWh). Of this, 81% was natural gas and 12% was electricity. Distribution and other mobile sources account for only 7%, as most of our distribution fleet is now outsourced to IOs.

Of our electricity use, 98% was sourced from the grid. Additionally, 2% of our electricity use was produced by our own solar panels. To date, we have not purchased additional renewable electricity or renewable energy certificates beyond what is embedded in our local utility's generation mix.

Last year, we piloted a digital ESG platform designed to improve our ability to monitor energy usage and identify opportunities for efficiency upgrades across our manufacturing plants and DCs. This platform facilitates collaboration among internal teams and external stakeholders through report sharing, investor engagement, and communication of progress on ESG initiatives. In 2024, we anticipate launching this ESG management platform and associated associate trainings.

SCOPE 1 AND 2 ENERGY USE (MWh)



EMISSIONS INTENSITY (METRIC TONS CO<sub>2</sub>e/\$ MILLION REVENUE)

	2022	2023
Emissions intensity	382.7 <sup>3</sup>	312.5 <sup>4</sup>



## Energy Efficiency in Our Facilities and Manufacturing Plants

Energy efficiency in our manufacturing operations and other facilities is key to reducing our climate impact. Investing in energy efficiency is the starting point for our emissions reduction strategy because it embeds the GHG reductions in our operations for the lifetime of the equipment. When evaluated, many energy-efficiency investments also provide an attractive return on investment.

To reduce our natural gas usage, we have extended the intervals between sanitation cycles, oil filtration cycles, and startup/shutdown cycles at our plants without compromising product safety or quality in any way. We plan to measure the savings from these practices by tracking our daily gas consumption and analyzing the trends.

As we consolidate our manufacturing plants and modernize our assets, we are actively evaluating additional opportunities to invest in energy efficient equipment.

<sup>1</sup> Diesel conversion factor: 1 gallon = 0.0407 MWh.

<sup>2</sup> Gasoline conversion factor: 1 gallon = 0.0351 MWh.

<sup>3</sup> Our revenue is adjusted to exclude one acquisition and one closed site in FY22. Our adjusted revenue is \$1.347 billion.

<sup>4</sup> Our revenue in FY23 was \$1.528 billion.



## Transportation and Logistics

Delivering snacks to our customers requires a network of DCs and DSD locations to transport our products from manufacturing locations to retailers around the country. We are consolidating warehousing within our network, which reduces shipments, fuel use, and associated emissions. We are also working to identify new approaches to improving efficiency in transport fuels and DC energy use.



### Reducing Miles and Emissions

In 2024, by consolidating seven warehouses into our first logistics center in the Northeast, we anticipate a reduction of 1,000 shipments a week in the region. This has consequential benefits in reducing fuel use and emissions, resulting in an estimated savings of 138 metric tons of CO<sub>2</sub>e.

IO's are responsible for executing shipping and sales to our customers, primarily from our network of Distribution Centers. We started transitioning our employed route sales professionals to IOs in 2016. By the end of 2023, we had 97 associates and 2,106 IOs employed as route sales professionals for Utz. This transition will transfer our Scope 1 transport emissions to our Scope 3 emissions but has no net bearing on our overall climate impact.

Maximizing packaging efficiency and optimizing truck loading reduces costs while also reducing the environmental impact of our shipments. In 2023, we improved our truck loading by fitting approximately 16 pallets into each truck, on average, for shipments in the Hanover region compared to 15 last year.

We reduce emissions from cross-country shipments by partnering with Flock Freight – a shared truckload service provider that combines our products with those of other companies to fill each truck to capacity. In 2023, we sent 2,800 shipments using Flock Freight, more than doubling the amount sent the previous year. By using Flock Freight, we saved approximately 1,321 metric tons of CO<sub>2</sub>e in 2023. We plan to expand this partnership to include inbound shipments in the future.



# Waste and Water

Our commitment to environmental stewardship also prioritizes waste prevention, recycling, and water conservation efforts. We begin by examining our manufacturing footprint and identifying opportunities to avoid creating waste, recycle more of the wastes we cannot eliminate, and reduce our water use.



## Waste Diversion

We aim to reduce waste at the source wherever possible. However, for unavoidable waste, we employ a range of landfill diversion practices. We ensure all waste disposal complies with federal, state, and local regulations. Our waste diversion practices include:

- Packaging materials – sort and reuse cardboard cartons and recycle plastics (see Packaging section)
- Food waste – separate and send to animal feed suppliers from Utz manufacturing locations
- Used cooking oil – sell for reprocessing
- Potato starch – sell for industrial uses
- Wastewater solids – 1. Incinerate with energy recovery; 2. Apply as field fertilizer from two sites; 3. Feed for an anaerobic digester at two other sites
- Unsold product – 1. Sell at discount outlets; 2. Donate to food banks

In 2023, Utz generated 10,352 tons of general waste, of which we diverted 48% from landfill. Additionally, we diverted 14,822 tons of unsold product from landfill through outlet sales, donations to 501c-3 charitable food banks, and conversion to animal feed. Across all locations, Utz generated a negligible amount of hazardous waste.

### WASTE DISPOSAL (TONS)

Type of Waste	Landfill	Incineration	Recycling
General waste	5,367 <sup>1</sup>	311	4,674

### WASTE DIVERSION

Type of Waste	Destination	Amount (Tons)
Food waste	Animal Feed	7,947
Unsold product	Outlet Sales	6,300
	Donations	575



## Minimizing and Repurposing Unsold Product

Our inventory management process targets reduction in unsold product waste. This has the dual benefit of reducing costs and minimizing the environmental burden of waste disposal. Product is returned to us when it reaches its expiration date, and for seasonal products, such as Halloween items, if they remain unsold after the holiday.

We first aim to match production and distribution patterns to sales demand. For product in stores, we track the remaining shelf life to determine if we will be able to sell it within its expiration date. As products approach expiration, we offer them to discount outlets at a reduced rate to maximize the probability of a sale. We also have arrangements with 501c-3 charitable food banks to donate product before expiry.

Inevitably some expired product is returned to Utz for disposal. This is either sent to landfill or repurposed into animal feed, depending on the facilities and options available at our locations.

<sup>1</sup> Some of our waste management providers do not track the weight of waste because this technology is not available in all locations. We estimated this number based on the frequency of pickups and size of containers, applying guidance from the Environmental Protection Agency.



## Water Conservation

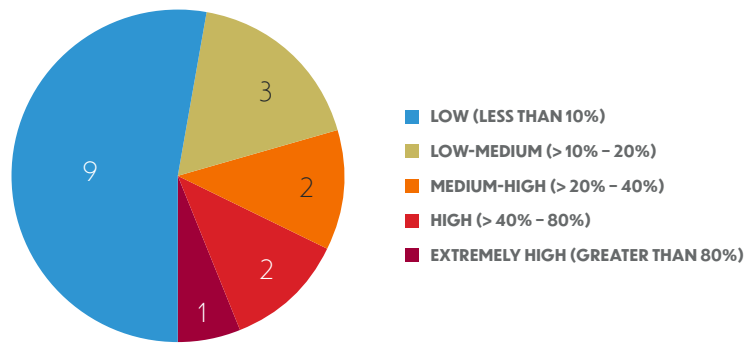
In 2023, our total water withdrawal was 762,937m<sup>3</sup> compared to 706,358 m<sup>3</sup> in 2022.

We are implementing infrastructure upgrades and on-site water recycling to reduce our water use. Examples of processes where we recycle water include:

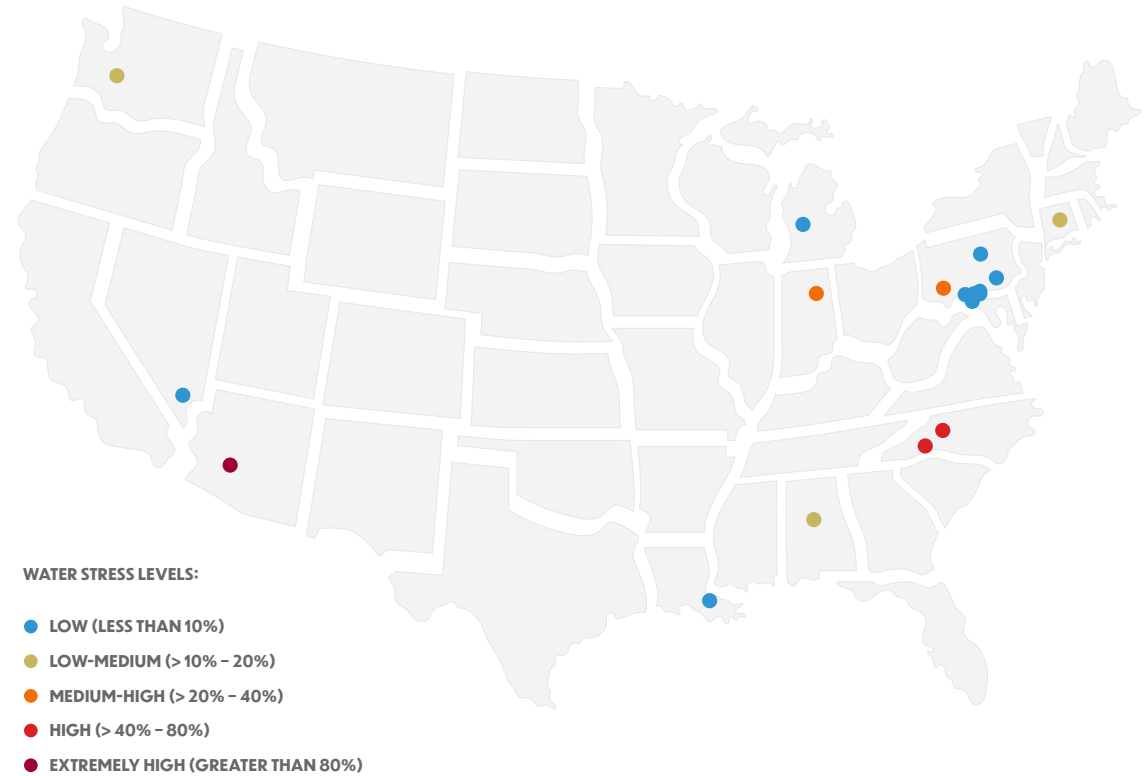
- Water used in our flume system, which transports potatoes as they move through processing
- Water used for potato peeling and de-starching in our infrastructure

Based on data in the **World Resources Institute Water Risk Atlas**, we have determined that we have three facilities, of our 17 sites, in high or extremely high water stress areas where more than a quarter of freshwater is withdrawn. In early 2024, we divested from one of these facilities located in a high water stress area. We also divested from two facilities in areas of medium-high water stress. These divestments altered our water stress levels, which we will disclose in our 2024 ESG report. Moving forward, we will be focusing our water efficiency measures at our highest-risk facilities.

### WATER STRESS LEVELS BY NUMBER OF SITES



### WATER STRESS BY SITE LOCATION



# Products



At Utz, we are dedicated to delivering delicious, high-quality, safe products. Through our relentless pursuit of excellence, we consistently introduce delightful new products and flavors to the market. Our approach integrates innovative product and packaging developments, the ingenuity of our team, and rigorous safety protocols to deliver superior-quality offerings that go above and beyond our customers' desires.

In 2023, our dedication yielded significant achievements, including the integration of recycled materials into select packaging and cost savings through our cardboard reuse initiative.



## In This Section:

Packaging | Product Quality, Safety, and Transparency

# Packaging

Our packaging is designed to ensure the safety, quality, and freshness of our products. We are committed to finding innovative ways to make our packaging more sustainable and circular, while maintaining our high standards of quality, safety, and customer satisfaction. Our programs include the phased reduction of packaging materials, transition to single-material packaging, and incorporation of recycled raw materials.



## Product Packaging

### Flexible, Mixed-Material Film Bags

To maintain freshness and extend the shelf life of our snacks, we use flexible film bags made of polypropylene (PP) plastic film. These bags include an inner metal layer that makes them unrecyclable with current technology.

In 2023, we began transitioning many of our flexible film bags from a 90-gauge film to a 70-gauge film. This transition reduces the amount of plastic used in each pack, achieving significant environmental and cost savings. The new, lighter material does not compromise the package's ability to protect the product and reduced our flexible film packaging use by approximately 52,000 pounds in 2023.



### Transitioning to More Sustainable Packaging, One Bite at a Time

In 2023, we began transitioning our variety multi-packs from linear low-density polyethylene (LLDPE) plastic sacks to paperboard cartons made of Coated Recycled Paperboard (CRB).

CRB is recyclable and made from 100% recycled materials, diverting waste and conserving natural resources. This transition is estimated to avoid the use of 251,200 pounds of plastic in 2024. The whole product line is expected to be transitioned to CRB in 2024.





### Rigid, Clear Plastic Barrels

We are famous for our snack barrels of cheeseballs, pretzels, and snack mixes. These rigid, clear barrels are made from PET, a plastic that is widely accepted in recycling programs throughout the United States.

In 2023, we finalized a redesigned shape for these iconic barrels to optimize stacking and shipping space. By altering the shape, we can fit more barrels into each carton, maximizing the product volume transported in each truckload. This optimization increases transportation efficiency and reduces our overall emissions per package.

Additionally, the redesigned barrels with continuous threaded lids will feature a lightweight lid, reducing the weight by five grams each. When fully implemented in 2024, we estimate that this change will decrease our resin use by more than 97,600 pounds per year. The rollout of the new barrel design is scheduled for early 2025.



### Distribution Packaging

#### Cardboard Cartons

We use durable cartons made from recycled paper to transport our products to stores. To maximize reuse and recycling, our IOs are encouraged and financially incentivized to return these cartons to the DCs.

The cartons are collapsed by the IOs and brought back to the DCs for inspection and sorting. Undamaged boxes are reused, while those not meeting condition standards are baled and forwarded to a paper recycler. On average, cardboard cartons are reused 1.8 times before being recycled. This approach reduces our use of new cartons and contributes to cost savings.

#### PRODUCT PACKAGING

Material	2022		2023	
	Total weight of packaging (tons)	Recycled content (%)	Total weight of packaging (tons)	Recycled content (%)
PP	6,264.9	0%	6,183.8	0%
PET	6,508.6	0%	5,589.3	0%
Corrugate <sup>1</sup>	19,200.4	40%	26,591.7	71%
Total	31,973.9	24%	38,364.8	49%

#### 2023 CARDBOARD CARTON REUSE AND RECYCLING

Processing Method	Number of Cardboard Cartons
Sorted	6,181,300
Reused	5,640,775
Recycled	540,525

<sup>1</sup> Any packaging that is made of paper with outer layers made of flat liners and a middle layer that is fluted (grooved layer increasing package rigidity).



### Flexible Polyethylene Plastic Wrap

To streamline transportation and minimize damage, our outgoing product pallets are wrapped in flexible polyethylene (PE) plastic wrap. In 2023, we purchased 287 tons of PE wrap to use for our outgoing shipments.



### Recycling Incoming Distribution Packaging from Our Suppliers

In addition to our own distribution packaging, we receive packaging applied by our suppliers to our incoming shipments. The majority of this waste material is cardboard cartons, along with smaller quantities of PE pallet wrap, PET containers, PP super-sacs, and pallets. We recycle as much of this material as possible, especially cartons and PE pallet wrap which are baled and sent for recycling at all our DCs.



# Product Quality, Safety, and Transparency

We take pride in delivering a wide variety of chips, pretzels, and snacks for everyone who enjoys snacking. Our commitment to maintaining strict sourcing and manufacturing standards ensures our consumers can enjoy our products with confidence. We make nutritional information easy to find, empowering consumers to make informed snack choices.



## Product Safety

### Associate Training

At Utz, food safety training goes beyond compliance – it is ingrained in our culture. Food safety is our top priority. We hold associates to high standards, requiring proficiency across various safety areas, including personal hygiene, foreign material prevention, safe manufacturing practices, allergen management, regulations, and other pertinent safety topics.

Every year, all plant managers undergo mandatory food safety training led by the food safety leader at each location, ensuring hands-on instruction and engagement. In 2023, we achieved 100% compliance among plant managers, in line with our commitment to safety excellence.

Our associates’ food safety proficiency is a mandatory aspect of our employment practices. Those working in our manufacturing facilities undergo annual food safety proficiency tests to validate their understanding of safety protocols. Associates are required to retrain and retest until they achieve the necessary proficiency level.

We offer in-person training sessions led by the safety leaders at each location, tailored to the specific needs of our associates and sites. In 2023, we introduced virtual training options to enhance flexibility and accessibility for our plant managers and team members.

Certifying our associates maintains Utz’s high food safety standards, prioritizes consumer health, and upholds regulatory compliance. We’re proud to report that 100% of those required to undertake training, 1,192 associates, participated in 2023.

### Supplier Screenings

Ensuring the safety and quality of our products begins with rigorous screening of our suppliers. Our measures include a standard screening process, facility and product testing, and audit reviews. Each step adds another layer of confidence to the integrity of our suppliers' processes.

Our comprehensive approach comprises two main screening protocols for verifying that our suppliers meet industry standards:

- Global Food Safety Initiative (GFSI) annual certification of all our raw material suppliers by protocols such as Safety Quality Food (SQF), British Retail Consortium Global Standard for Food Safety, and FSSC Scheme for Food Safety Management Systems. Certification signifies adherence to stringent food safety standards endorsed by leading consumer goods companies, aligning standards in retail and manufacturing.
- U.S. Department of Agriculture (USDA) Good Agricultural Practices (GAP) voluntary audits. GAP audits verify that raw commodities, such as fruits and vegetables, are grown, processed, packed, handled, and stored in a manner that minimizes risks of food safety hazards.

We are on track to have all our potato suppliers GAP-audited in 2024. In 2023, 97% underwent audits and earned certification. All suppliers audited passed.

We also vet our foreign suppliers according to the Food Safety Modernization Act (FSMA) Foreign Supplier Verification Program. The program sets requirements to verify that food imported into the U.S. provides the same level of public health protection as domestic suppliers. The program ensures that all our imported ingredients, such as cooking oil, meet those standards.

### Facility and Product Testing

We adhere to industry food safety requirements from the U.S. Food and Drug Administration (FDA), USDA, FSMA, and GFSI, ensuring that our operations consistently maintain the highest levels of food safety and quality control.

We practice in-house and precautionary testing for foreign material detection, allergen cleaning verification, and environmental monitoring.

In 2023, we made a significant transition to exclusively pursue third-party SQF certification across all Utz facilities. This change established uniformity and consistency across our operations. Every Utz site underwent rigorous SQF audits in 2023. SQF auditors evaluate our food safety and quality management systems against the SQF Food Safety Codes, ensuring compliance with industry, customer, and regulatory requirements spanning the entire food supply chain – from the farm all the way to the store. SQF audits cover 13 industry-specific codes, addressing factors such as facility cleanliness, associate practices, documentation, allergen control, and management systems.

Our ongoing commitment to excellence drives us to continually improve our SQF scores. In 2023, we improved our SQF average score to 95%, a one-point increase from 2022. We attribute this improvement to enhanced leadership focus on the SQF standards and implementation of standardized practices across our facilities.

#### SQF AVERAGE SCORE FOR UTZ FACILITIES

2021	2022	2023
94%	94%	95%

Food testing is a crucial part of our product safety system. In adherence to industry regulations, our quality control process mandates rigorous testing of all our products to detect and remove contaminants, for example, by automatic metal detection. We also conduct post-cleaning equipment testing to eliminate any allergenic residue. For gluten-free items, both raw materials and finished products undergo thorough testing to verify their gluten-free status. Any product that raises concerns during testing undergoes further examination after it is removed from production, ensuring that only the highest quality and safest products reach our customers.

Additionally, all our facilities are registered under the FSMA's Bioterrorism Act. This important legislation serves to protect the public from potential terrorist threats aimed at the U.S. food supply.



### Utz Facility Audits

Audits add accountability to our production and allow us to address issues proactively and track performance. Our facilities are audited regularly:

- Every 2–5 years by the FDA
- Annually in unannounced visits by state regulators
- Annually by SQF for GFSI compliance

In 2023, from the 38 total audits completed of our facilities, we received two notices of violation related to sanitation practices, allergen control, and building maintenance. Remedial action included updated procedures, retraining, enhanced sanitation practices, and building and equipment repairs. Utz earned a better-than-average risk management score in our industry for commercial insurance, which covers risks associated with our facilities and worker safety.



OUR ASSOCIATES PLEDGE TO CONSUMERS

**I will follow our standards.  
I will protect the product.  
I will hold myself accountable.  
I will speak up.**



## Product Transparency

Providing snackers with transparent and detailed information about nutritional content and potential allergens in our products is essential for customer satisfaction and regulatory compliance. Legally mandated nutritional and allergen information is printed on all our packaging, alongside labels for additional attributes, when applicable.

In 2023, we offered products that were gluten-free, non-GMO, organic, kosher, and made with whole grains, marked by universal labeling to help customers make educated food choices. In addition, we follow federal and state regulations for product safety and transparency. For instance, in accordance with newly adopted FDA requirements classifying sesame seeds as a major food allergen, we began labeling products containing sesame seeds in 2023.

In addition to labels on our packaging, consumers can find ingredient information on our website by clicking individual items on our product pages while online shopping. This convenience gives shoppers the ability to select products that meet their nutritional requirements before visiting a store or making an online purchase. We also provide a number to call our Customer Care Team for further questions or concerns. Every product package is marked with a QR code that sends customers to our website for product information. For our larger commercial customers, we share product information and marketing resources through a dedicated B2B platform.



### UTZ SPECIALTY PRODUCTS CERTIFICATIONS

#### Gluten-free

We utilize two recognized criteria: the Gluten-Free Certification Organization voluntary third-party certification, which sets strict thresholds for gluten content, and FDA regulations, which define gluten content for products sold in the U.S.

#### Non-GMO

We certify with the Non-GMO Project, a nonprofit organization that administers North America's most rigorous certification for avoiding GMOs.

#### Organic

We seek federal USDA organic certifications for products that foster resource cycling, promote ecological balance, maintain and improve soil and water quality, minimize the use of synthetic materials, and conserve biodiversity.<sup>1</sup>

#### Kosher

OU Kosher, the world's largest kosher certifying agency, certifies our kosher snacks. OU Kosher sets standards for pareve, dairy, and meat/poultry products.

#### Whole Grains

We participate in the Whole Grains Council and seek the Whole Grain Stamp for certain products that maintain whole grain qualities after processing.

<sup>1</sup>Our organic snacks marketed under the Good Health® brand were sold to Our Home™ in February 2024, and remain under a Transition Services Agreement with Utz for a year.



### Nutritional Considerations

At Utz, we recognize that the nutritional content of snacks can be important to our consumers and aim to offer choices that support different dietary needs and lifestyles.

In 2023, we offered 23 products of one ounce or less and 97 items of three ounces or less that promote portion-control and lower calorie intake. Individual servings are available in our popular Variety Packs and in vending machines.

In 2024, we plan to introduce new one-ounce products in two to three additional flavors. Our serving sizes align with FDA guidance.

We are assessing sodium levels across all our snack brands. Two Utz products are available in no-salt options.



# Governance



Our leadership sets forth clear expectations for governance, ensuring all associates are empowered to participate in achieving the highest ethical standards. At Utz, our corporate governance culture is firmly grounded in principles of integrity, fairness, and transparency, encompassing not only financial considerations, but also the management of environmental and social impacts.

In 2023, we strengthened our governance framework by updating two governance policies that enhance accountability at the leadership level. Additionally, a Board member was selected to receive specialized cybersecurity training, positioning us to better address evolving challenges in the increasingly digital landscape.



#### In This Section:

[Corporate Governance](#) | [Business Ethics](#) | [About this Report](#)



# Corporate Governance

Integrity, fairness, and transparency are foundational pillars of our business. These values are integral to our corporate governance and inform our commitment to responsible practices in our stakeholder engagement. By upholding our principles, we maintain and build trust with our associates, business partners, consumers, and investors. This dedication lays the groundwork for long-term success in the marketplace.



## Oversight

Our Board of Directors and Executive Leadership Team form a cohesive Leadership Team that guide and oversee our operations. Regular meetings are held to facilitate collaboration, monitor progress, and direct the business toward achieving our core objectives. Our leadership is committed to upholding our dedication to producing quality products, our longstanding values in our treatment of people, and stewardship of the environment.

Our Board Directors hold positions on various committees. To effectively govern, three standing committees address specific areas of our business:

**The Audit Committee** oversees the integrity of our financial statements, our cybersecurity risk, compliance with legal and regulatory requirements, the qualification and independence of our auditors, and the performance of our internal audit function and auditors.

**The Compensation Committee** is responsible for reviewing and approving the compensation of our Directors, Executive Officers, and associates.

**The Nominating and Corporate Governance Committee (NCGC)** is responsible for overseeing the process of selecting our Director nominees and approving, reviewing, and developing our corporate governance policies, procedures, and guidelines. The committee also formally oversees our strategy, risks, opportunities, and related reporting with respect to ESG matters in coordination with the Board.

Every committee holds a crucial function in the leadership, management, and governance of our Board. For additional details on each committee, see our [Utz Governance Documents](#).

We take a proactive approach in monitoring and responding to regulatory guidance. We conduct annual reviews of our governance policies and update them based on guidance from regulatory bodies such as the Securities and Exchange Commission (SEC), OSHA, the U.S. Equal Employment Opportunity Commission (EEOC), and the FDA. In 2023, we released a revised Insider Trading Policy to align with SEC recommendations and adopted an amended Clawback Policy in accordance with SEC and stock exchange recommendations. These updates add layers of accountability to our governance framework.



## Board of Directors and Executive Officers

Our Officers and Board members represent a diverse set of skills and backgrounds, enriching our decision-making processes. Comprised of 12 Directors, including nine independents, two women, and three Directors of color, our Board reflects our commitment to diversity and inclusion. Each member brings unique perspectives to the table, enhancing the effectiveness of our governance.

To ensure stability and continuity in our corporate governance, we employ a classified board structure. This structure facilitates seamless transitions of leadership on our Board from year to year, reflecting the continuity Utz has upheld since its start as a family-owned business.

### BOARD DIVERSITY IN 2023

Average age of Board members	59
Board members who are women	17%
Board members who are from diverse groups	25%

\*Independent Director

### BOARD OF DIRECTORS

**Dylan Lissette**  
Chairperson  
Utz Brands, Inc.

**Michael Rice**  
Chairperson Emeritus  
and Special Advisor  
Utz Brands, Inc.

**Roger Deromedi\***  
Lead Independent Director;  
Member, Audit Committee;  
Member, Compensation  
Committee  
Utz Brands, Inc.

**John Altmeyer\***  
Chairperson, Nominating  
and Corporate Governance  
Committee; Member,  
Compensation Committee  
Chief Executive Officer  
GAF Materials, LLC

**Timothy Brown\***  
Member, Nominating and  
Corporate Governance  
Committee; Founder and CEO  
Sageworth

**Christina Choi\***  
Member, Nominating and  
Corporate Governance  
Committee; Senior Vice  
President of Marketing  
Diageo

**Antonio Fernandez\***  
Member, Audit Committee;  
President  
AFF Advisors, LLC

**Howard Friedman**  
Chief Executive Officer  
Utz Brands, Inc.

**Jason Giordano\***  
Chairperson, Compensation  
Committee; Member,  
Nominating and Corporate  
Governance Committee  
Senior Managing Director  
CC Capital

**B. John Lindeman\***  
Member, Audit Committee;  
Chief Financial Officer  
Hydrofarm Holdings  
Group, Inc.

**Craig Steeneck\***  
Chairperson, Audit Committee  
Former Chief Financial Officer  
Pinnacle Foods

**Pamela Stewart\***  
Member, Nominating and  
Corporate Governance  
Committee; Chief Customer  
Officer Retail North America  
The Coca-Cola Company

### EXECUTIVE OFFICERS

**Howard Friedman**  
Chief Executive Officer

**Mitch Arends**  
Executive Vice President,  
Chief Integrated Supply  
Chain Officer

**Jennifer Bentz**  
Executive Vice President,  
Chief Marketing Officer

**Cary Devore**  
Executive Vice President  
and Chief Operating and  
Transformation Officer

**Ajay Kataria**  
Executive Vice President,  
Chief Financial and  
Accounting Officer

**Shannan Redcay**  
Executive Vice President,  
Manufacturing

**Mark Schreiber**  
Executive Vice President,  
Sales & Chief Customer Officer

**Theresa Shea**  
Executive Vice President,  
General Counsel  
& Corporate Secretary

**James Sponaugle**  
Executive Vice President,  
Chief People Officer

**Chad Whyte**  
Executive Vice President,  
Supply Chain

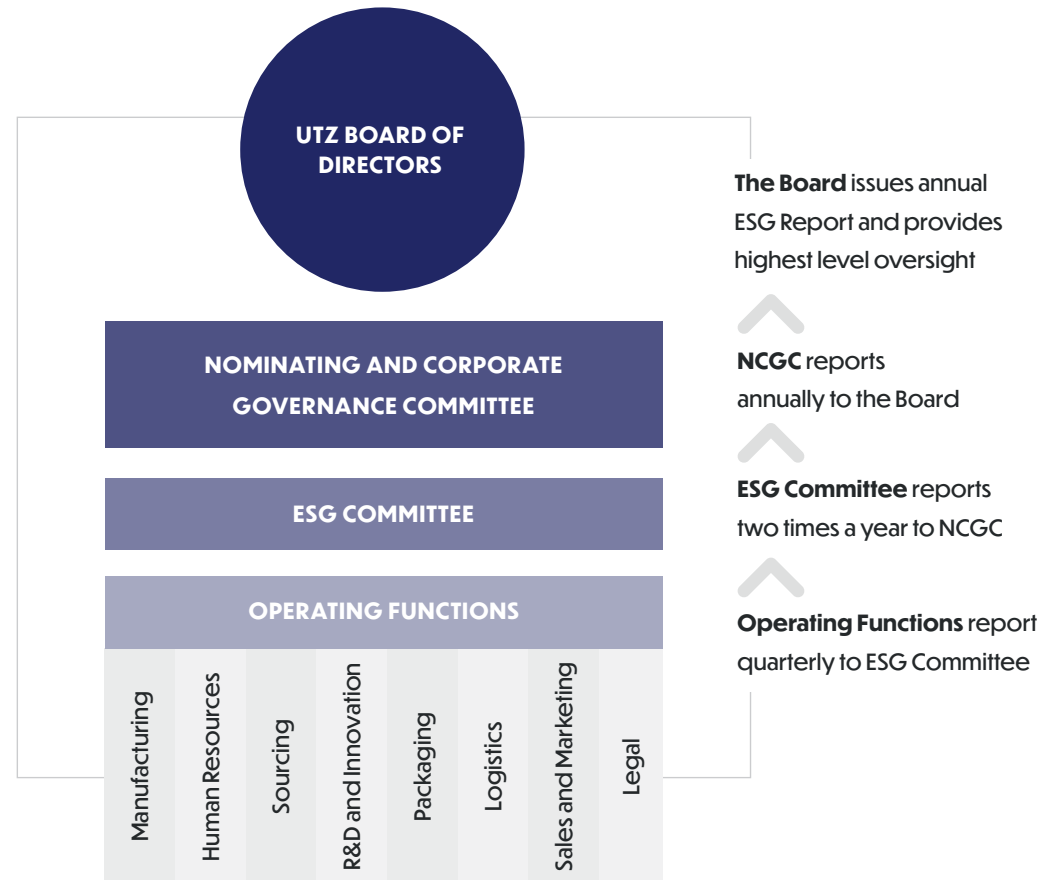


## ESG Governance

ESG governance enables us to cultivate sustainable growth in an evolving business landscape.

Our NCGC assumes primary responsibility for ESG oversight, ensuring that ESG initiatives align with our overarching business objectives. Members of the NCGC receive updates from the ESG committee twice annually and the full Board receives an annual ESG update regarding all ongoing initiatives. The NCGC plays a pivotal role in reviewing and adopting ESG priorities and progress as well as doing a preliminary review of the ESG report before it is presented to the full Board.

### ESG GOVERNANCE FRAMEWORK





**Partner to Partner** Our success stems from collaboration, engaging every associate, and activating all stakeholders in support of more sustainable practices.

# Business Ethics

At Utz, we take great pride in our commitment to ethical conduct across every aspect of our operations. Under the guidance of our dedicated Executive Leadership Team, every member of the Utz team bears the responsibility for upholding our ethical standards consistently and fairly, both within our organization and in our engagements with external stakeholders.



## Code of Business Conduct and Ethics

Our **Code of Business Conduct and Ethics** (Code) is the central document that defines our values. The Code undergoes regular reviews, with a comprehensive update scheduled for release in 2025.

The basic principles of our Code commit our Board, Officers, and all associates to comply with all applicable laws, avoid all conflicts of interest, and observe moral and ethical standards.



## Code Certification and Training

Every member of our team is required to comprehend and adhere to the Code. As part of the onboarding process, all new hires must review and sign off that they have read and agree to comply with the Code, demonstrating their commitment to upholding our standards, promoting a positive work environment, and preventing misconduct. In 2023, we achieved a 100% acknowledgement rate from new associates.

All people managers and associates in roles with elevated risks are obligated to complete an annual certification at the beginning of the fiscal year, confirming their review of the Code and their agreement to comply with it. In 2023, we achieved a 100% certification rate (excluding associates on leaves of absence). Additionally, these team members undergo biennial online training modules to refresh their knowledge of the Code and to continue serving as exemplary role models for all associates. The next training session is scheduled for 2025, coinciding with the release of the updated Code.



## Reporting Ethical Concerns

We encourage our workforce to provide feedback and participate in open dialogue with their supervisors regarding any concerns they may have. Should an associate encounter a situation that raises ethical concerns, we provide clear channels for reporting through established protocols. This ensures that issues are promptly identified and addressed, fostering a culture of transparency and accountability throughout the organization.

Our reporting mechanisms include:

- **Open Door Policy**, a non-mandatory option that empowers associates to informally approach their supervisors or higher-level management with any concerns
- **Whistleblower Policy**, which sets formal guidelines for associates to report certain types of misconduct, unethical behavior, fraud, or illegal activities without fear of retaliation
- **Code and Ethics Hotline**, a dedicated number for associates, contractors, customers, or third parties to anonymously report potential violations of our Code or a situation affecting an associate, their peers, or the company



## Ethics Hotline

The number for the Code and Ethics Hotline is publicly posted at all Utz facilities and online to encourage awareness. The Hotline is accessible 24/7, 365 days a year, and live language interpretation on calls is available in more than 150 languages.

In 2023, we received 17 calls, compared to 15 in 2022, a 13% increase. In 2023, two calls resulted in substantiated code violations; four cases led to a recommended policy change or policy clarification; and seven resulted in Management Team coaching. Participation by our associates demonstrates the success of our culture of accountability, an important foundation for a fair and inclusive working environment.

### RESULTS OF ALLEGED CODE OF CONDUCT INFRINGEMENTS IN 2023<sup>1</sup>

- 17** Calls received
- 2** Code violations identified
- 4** Cases resulted in a recommended policy change and/or policy clarification
- 4** Resulted in associate discipline
- 7** Resulted in Management Team coaching
- 7** Resulted in no action required

<sup>1</sup>Some code violations fall into more than one category.



## Data Security and Resiliency

As business and society become increasingly digital and connected, securing our data is essential to mitigating risks and protecting our customers and operations. At Utz, cybersecurity is a critical element of our system protocols, encompassing the data of our operations, associates, customers, and suppliers, as well as our intellectual property and products. We focus on confidentiality, integrity, and security of data and systems. We're pleased to report that in 2023, we did not encounter any cybersecurity incidents that had a material impact or potential to affect our business.

Our cybersecurity risk management is designed to prevent, detect, and respond to threats based on the National Institute of Standards and Technology Cybersecurity Framework (NIST CSF). Our program includes an IT Cloud Security Policy, an IT Server Security Policy, and a Written Information Security Policy (WISP), as well as a Security Incident Response Plan (SIRP). We also engage third-party assessments as necessary to evaluate and enhance our cybersecurity practices and procedures.

All of the following security measures are reviewed annually to ensure they are adequate and meet all federal and state regulations:

- A multi-layered approach to protect our assets
- Identification of key areas through internal reviews and research
- Continuous mitigation related to human behavior, data breaches, remote work, third-party vendors, removable media, and emerging threats
- Regular internal and external assessments
- Implementation of multi-factor authentication protocols

We're committed to protecting our digital infrastructure through leadership initiatives. In 2023, we began the process of cyber certification for one Board member and clarified Audit Committee oversight for cybersecurity matters. We also recently appointed a Virtual Chief Information Security Officer (vCISO), who began in January 2024. The vCISO's primary responsibility is to evaluate and strengthen our cybersecurity program, providing independent oversight under the guidance of the Board of Directors.



# About this Report

This is Utz Brands, Inc.'s third ESG Report, providing an overview of our ESG impacts and management initiatives during fiscal year 2023. We are working toward aligning our reporting practices with the International Financial Reporting Standards (IFRS). This report includes indices for the standards of the Sustainability Accounting Standards Board (SASB) and the Task Force on Climate-Related Financial Disclosures (TCFD). For our SASB disclosures and TCFD Index, refer to the ESG Index on pages [56-59](#).

Please reach out to [sustainability@utzsnacks.com](mailto:sustainability@utzsnacks.com) with any inquiries.

## About Utz Brands, Inc.

Utz Brands, Inc. is listed on the New York Stock Exchange (NYSE) under the ticker symbol UTZ. As a publicly traded company, we adhere to the regulations and guidelines set forth by the Securities and Exchange Commission (SEC) and comply with the standards applicable to NYSE-listed companies.

## About Utz Sustainability Data

At Utz, we prioritize transparent communication with our stakeholders. Currently, we are in the process of improving our measurement and data collection capabilities while expanding the scope of the information we disclose. Unless specified otherwise, the data presented in this report pertains to fiscal year 2023, which aligns with the calendar year.

## Forward-looking Statements

Certain statements made herein are not historical facts but are “forward-looking statements” within the meaning of the “safe harbor” provisions of the Private Securities Litigation Reform Act of 1995, as amended. The forward-looking statements generally are accompanied by or include, without limitation, statements such as “will,” “expect,” “intends,” “goal,” or other similar words, phrases, or expressions. These statements are based on the current expectations of the company’s management and are not predictions of actual performance. These statements are subject to several risks and uncertainties, and the company’s business and actual results may differ materially.



# Sustainability Accounting Standards Board (SASB) Index

Utz aligns our reporting to the Sustainability Accounting Standards Board (SASB) standards, focusing on disclosures and indicators most material to our business by drawing from the sector-specific indicators of the SASB “Processed Foods” industry standard.

## PROCESSED FOODS STANDARDS

### ENERGY MANAGEMENT

Accounting Metric	Code	Category	Unit of Measure	Utz 2023 Disclosure
Total energy consumed	FB-PF-130a.1	Quantitative	Gigajoules (GJ)	1,719,190 GJ
Percentage grid electricity	FB-PF-130a.1	Quantitative	Percentage (%)	97.9%
Percentage renewable	FB-PF-130a.1	Quantitative	Percentage (%)	2.1%

### WATER MANAGEMENT

Total water withdrawn	FB-PF-140a.1	Quantitative	Thousand cubic meters (m <sup>3</sup> )	762,937 m <sup>3</sup>
Total water consumed	FB-PF-140a.1	Quantitative	Thousand cubic meters (m <sup>3</sup> )	Not available.
Percentage of each in regions with High or Extremely High Baseline Water Stress	FB-PF-140a.1	Quantitative	Percentage (%)	5.5% of total water withdrawn
Number of incidents of non-compliance associated with water quantity and/or quality permits, standards, and regulations	FB-PF-140a.2	Quantitative	Number	56
Description of water management risks and discussion of strategies and practices to mitigate those risks	FB-PF-140a.3	Discussion and Analysis	N/A	<b>Waste and Water</b>

## FOOD SAFETY

Accounting Metric	Code	Category	Unit of Measure	Utz 2023 Disclosure
Global Food Safety Initiative (GFSI) audit, non-conformance rate	FB-PF-250a.1	Quantitative	Rate	Average non-conformance rate is 5%
Global Food Safety Initiative (GFSI) audit, associated corrective action rate for (a) major and (b) minor non-conformances	FB-PF-250a.1	Quantitative	Rate	a) 0% b) 5%
Percentage of ingredients sourced from Tier 1 supplier facilities certified to a Global Food Safety Initiative (GFSI) recognized food safety certification program	FB-PF-250a.2	Quantitative	Percentage (%) by cost	100%
Total number of notices of food safety violation received	FB-PF-250a.3	Quantitative	Number	2
Percentage corrected of total food safety violation received	FB-PF-250a.3	Quantitative	Percentage (%)	100%
Number of recalls issued	FB-PF-250a.4	Quantitative	Number	1
Total amount of food product recalled	FB-PF-250a.4	Quantitative	Metric tons (t)	<0.1 Metric Tons

### HEALTH AND NUTRITION

Revenue from products labelled and/or marketed to promote health and nutrition attributes	FB-PF-260a.1	Quantitative	Reporting currency	Not available.
Discussion of the process to identify and manage products and ingredients related to nutritional and health concerns among consumers	FB-PF-260a.2	Discussion and Analysis	N/A	<b>Product Quality, Safety, and Transparency</b>

**PRODUCT LABELING AND MARKETING**

Accounting Metric	Code	Category	Unit of Measure	Utz 2023 Disclosure
Percentage of advertising impressions made on children	FB-PF-270a.1	Quantitative	Percentage (%)	Not available.
Percentage of advertising impressions made on children promoting products that meet dietary guidelines	FB-PF-270a.1	Quantitative	Percentage (%)	Not available.
Revenue from products labelled as containing GMOs	FB-PF-270a.2	Quantitative	Reporting currency	Not available.
Revenue from products labelled as non-GMO	FB-PF-270a.2	Quantitative	Reporting currency	Not available.
Number of incidents of non-compliance with industry or regulatory labeling and/or marketing codes	FB-PF-270a.3	Quantitative	Number	Not available.
Total amount of monetary losses as a result of legal proceedings associated with labeling and/or marketing practices	FB-PF-270a.4	Quantitative	Reporting currency	Not available.

**PACKAGING LIFECYCLE MANAGEMENT**

Total weight of packaging	FB-PF-410a.1	Quantitative	Metric tons (t)	34,804 Metric Tons* *Excludes distribution packaging.
Percentage of packaging made from recycled and/or renewable materials	FB-PF-410a.1	Quantitative	Percentage (%)	49%
Percentage of packaging that is recyclable, reusable, and/or compostable	FB-PF-410a.1	Quantitative	Percentage (%)	Not available.
Discussion of strategies to reduce the environmental impact of packaging throughout its lifecycle	FB-PF-410a.2	Discussion and Analysis	N/A	<b>Packaging</b>

**INGREDIENT SOURCING**

Accounting Metric	Code	Category	Unit of Measure	Utz 2023 Disclosure
Percentage of food ingredients sourced that are certified to third-party environmental and/or social standards, and percentages by standard	FB-PF-430a.1	Quantitative	Percentage (%) by cost	Not available.
Suppliers' social and environmental responsibility audit non-conformance rate	FB-PF-430a.2	Quantitative	Rate	Not available.
Suppliers' social and environmental responsibility audit associated corrective action rate for (a) major and (b) minor non-conformances	FB-PF-430a.2	Quantitative	Rate	Not available.

**INGREDIENT SOURCING**

Percentage of food ingredients sourced from regions with High or Extremely High Baseline Water Stress	FB-PF-440a.1	Quantitative	Percentage (%) by cost	Not available.
List of priority food ingredients and discussion of sourcing risks due to environmental and social considerations	FB-PF-440a.2	Discussion and Analysis	N/A	Our list of priority ingredients are as follows: · Potatoes · Corn · Wheat · Oil seeds <b>Supply Chain Responsibility</b>

**ACTIVITY METRIC**

Weight of products sold	FB-PF-000.A	Quantitative	Metric tons (t)	Not available.
Number of production facilities	FB-PF-000.B	Quantitative	Number	16

# Task Force on Climate-Related Financial Disclosures (TCFD) Index

Utz recognizes the importance of managing climate-related risks and opportunities. Aligning with the recommendations of the Task Force on Climate-Related Financial Disclosures (TCFD) is a key step in our efforts. This TCFD Index has been prepared according to the latest TCFD recommendations and includes Utz Brands, Inc. within the scope of this disclosure.

Category and recommended disclosure	Utz disclosure by category
<p><b>Governance</b> Disclose the organization's governance around climate-related risks and opportunities, including: a) Describe the board's oversight of climate-related risks and opportunities; and b) Describe management's role in assessing and managing climate-related risks and opportunities.</p>	<p>Our NCGC assumes primary responsibility for ESG oversight, ensuring that ESG initiatives align with our overarching business objectives. The NCGC regularly receives updates from both the ESG Analyst and the ESG Committee and reports twice a year to the full board, maintaining transparency and accountability. In 2024, the NCGC will receive additional informational briefings to further enhance its expertise. The NCGC plays a pivotal role in reviewing and adopting ESG priorities and approving the annual ESG report.</p> <p>We believe that high standards in ESG matters are integral to our long-term success. With support from our ESG Committee, our ongoing ESG efforts continue to build a strong foundation of sustainable business practices. In 2023, we calculated our Scope 1 and 2 GHG emissions for the second year under the guidance of the ESG Committee.</p>
<p><b>Risk Management</b> Disclose how the organization identifies, assesses, and manages climate-related risks, including: a) Describe the organization's processes for identifying and assessing climate-related risks; b) Describe the organization's processes for managing climate-related risks; and c) Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organization's overall risk management.</p>	<p>We are beginning to conduct risk assessments but have not yet made significant progress in this area. We are still working to understand our responsibilities. Currently, we are examining physical hazards related to geography, with plans to expand to climate change's impact on our sourcing availability. While our focus is currently on physical risks such as fire, geography, and deforestation, we recognize the need for a more comprehensive climate risk assessment that includes aspects such as commodities and water use.</p>
<p><b>Strategy</b> Disclose the actual and potential impacts of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning, including: a) Describe the climate-related risks and opportunities the organization has identified over the short, medium, and long term; b) Describe the impact of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning; and c) Describe the resilience of the organization's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.</p>	<p>We are beginning to conduct risk assessments to identify climate-related risks and opportunities over the short, medium, and long term. Although we have not yet made significant progress, we are working to understand our responsibilities. Currently, we are examining physical hazards related to geography, with plans to expand our focus to include climate change's impact on the availability of our sourcing. Identified physical risks include fire, geography, and deforestation.</p> <p>We recognize the need for a more comprehensive climate risk assessment that includes commodities and water use. These climate-related risks and opportunities impact our business, strategy, and financial planning by necessitating adjustments to our sourcing strategies and risk management practices. Our current focus on physical hazards helps us mitigate immediate risks, but we aim to develop a more holistic approach that incorporates broader climate impacts.</p> <p>To ensure the resilience of our strategy, we are considering different climate-related scenarios. This involves understanding the potential impacts on our supply chain and operations, and integrating these insights into our long-term planning and decision-making processes.</p>

## Category and recommended disclosure

### Metrics and Targets

Disclose the metrics and targets used to assess and manage relevant climate-related risks and opportunities, including: a) Disclose the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process; b) Disclose Scope 1, Scope 2 and, if appropriate, Scope 3 greenhouse gas (GHG) emissions and the related risks; and c) Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets.

## Utz disclosure by category

We are currently focusing on gathering comprehensive data to establish baseline metrics and develop achievable targets for managing our climate-related risks and opportunities. As we advance in our assessments, we will set specific targets and track our performance against these targets to ensure we are effectively managing our climate impact.

To assess and manage relevant climate-related risks and opportunities, we use the following metrics:

### GHG Emissions:

- Scope 1 emissions: Direct emissions from owned or controlled sources
- Scope 2 emissions: Indirect emissions from the generation of purchased electricity

### Energy Management:

- Total energy consumed: Measurement of the total energy used by the organization
- Percentage grid electricity: The proportion of energy sourced from the electrical grid
- Percentage renewable: The proportion of energy sourced from renewable resources

### Water Management:

- Total water withdrawn: The total volume of water extracted for use
- Percentage of water withdrawn in regions with High or Extremely High Baseline Water Stress: The proportion of water withdrawn from areas experiencing significant water scarcity
- Number of incidents of noncompliance associated with water quantity and/or quality permits, standards, and regulations: Instances where water usage did not meet regulatory standards

### Packaging:

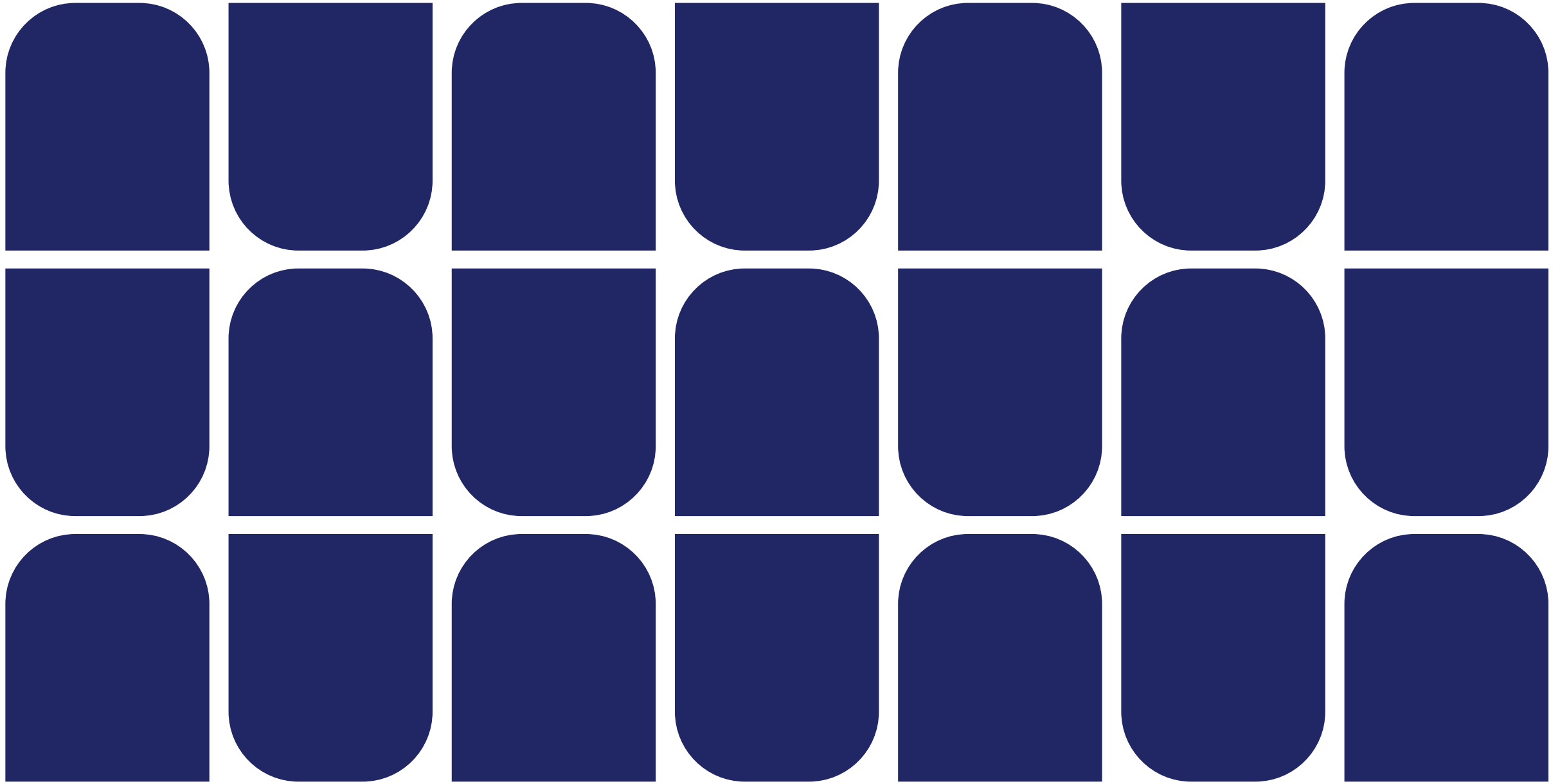
- Total weight of packaging: The overall weight of packaging materials used
- Percentage of packaging made from recycled and/or renewable materials: The proportion of packaging materials that are recycled or sourced from renewable resources
- Percentage of packaging that is recyclable, reusable, and/or compostable: The proportion of packaging materials that can be recycled, reused, or composted

### Scope 1, 2, and 3 GHG Emissions:

- Scope 1 emissions: Direct emissions from our operations
- Scope 2 emissions: Indirect emissions from purchased electricity
- Scope 3 emissions: Not currently available

### Targets:

- Targets: Specific targets for managing climate-related risks and opportunities are not yet available



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