



Double Materiality Assessment - 2025

Benchmark Report



Karin Witton
Global Head of Sustainability

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Contents



1. **DMA Approach**
2. **Background**
3. **Tosca's Materiality Matrix: 2022 - 2025**
4. **Executive Summary**
5. **Priority Issues across ALL Customers**
6. **Priority Issues by Customer Sector**
7. **Priority Issues by Retailers in EMEA**
8. **Priority Issues by Retailers in the USA**
9. **Priority Issues by Suppliers in EMEA**
10. **Priority Issues by Suppliers in the USA**

DMA Approach



Background

Reasons and methodology employed for completing a DMA

- Tosca's first Materiality Assessment was performed in 2022. In keeping with traditionally accepted good practice of a 3-yearly review cycle we considered it was time for a formal review.
- Tosca is currently required to report under the EU Corporate Sustainability Reporting Directive (CSRD) for our EMEA operations – first report will be in 2028. While this may change, we decided to perform a Double Materiality Assessment (DMA) in compliance with the directive's requirements.

Our 2022 assessment involved:

- Internal surveys team members from the Executive leadership level all the way down to our service centres.
- An Interview with our private equity investor Apax.
- Desk-based studies of our customer's priorities along with those of our competitors.

It did not incorporate a formal financial materiality perspective.

Our 2025 DMA involved engaging with our key stakeholders through:

- Detailed interviews (30%)
- Guided surveys* (54%)
- Engagement activities (offices) (2%)
- Desk studies (14%)

** involved recording of answers based on an importance scale of 1 (low) to 5 (high)*

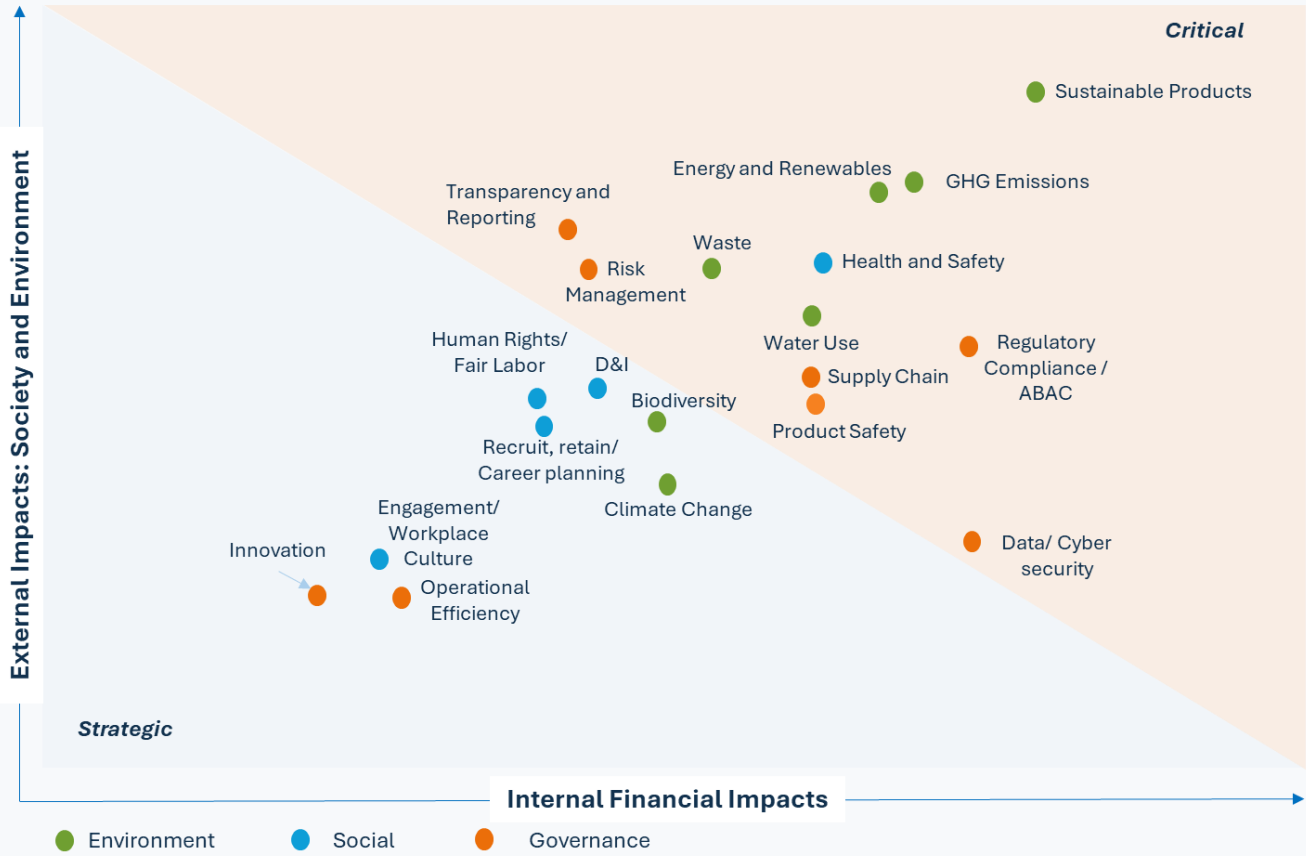
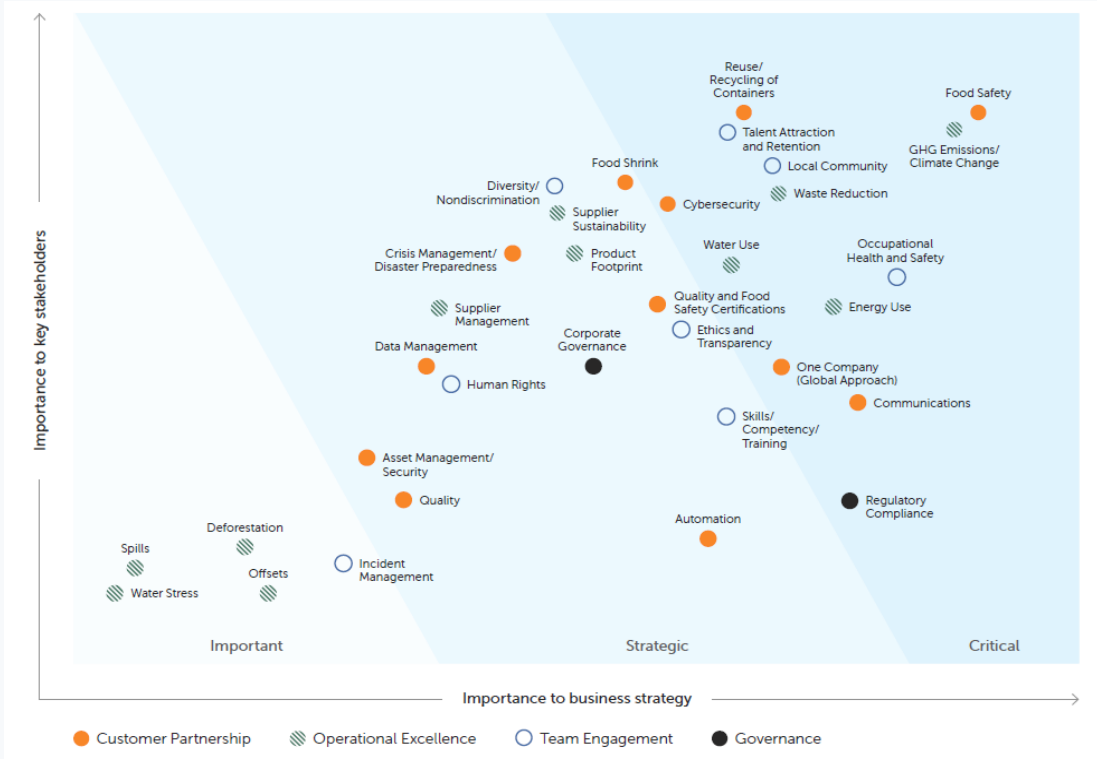
Key stakeholders based in either the US, EU or UK included:

- Retail customers (29%)
- Supplier customers (B2B) (22%)
- Tosca workforce (office-based team members, senior leadership and Executive leadership) (21%)
- In-sector peers (21%)
- Investors (7%)

Tosca's Materiality Matrix: 2022 - 2025



The DMA results create our 2025 Materiality Matrix which we have used to strengthen our Sustainability Strategy and revise our 2030 goals.



Executive Summary

- Slight changes in ESG priorities for customers as well as internally between the 2022 and 2025 materiality assessments have been identified. Circular / sustainable packaging has taken precedence over GHG emissions and food safety. This is largely driven by the new packaging regulations in Europe and Extended Producer Responsibility laws in the EU, UK and USA which are top of mind for customers. Waste management remains a high priority but the drivers are different. In 2022 the focus was on reducing plastic due to plastic bans, now it is a result of the recent and forthcoming packaging related regulations – especially those with a financial impact. Food safety (covered under product quality and safety) is not deemed as important – partially due to a back tracking on the implementation of the Food Safety Management Act 204 in the US.
- GHG emissions and a focus on energy management including the adoption of renewable energy still remain as priority issues even in the USA despite the change in government policy. It will be interesting to see whether that will shift when we do our three-yearly update in 2028. Till then we will still manage it as a top priority.
- Fair trade/ human rights appears to be of marginally higher importance when financial impact is included in the double materiality approach.
- When reviewing potential business opportunities due to having a ‘leading’ ESG program, all customers, irrespective of being a retailer or their supplier, stated that management of sustainability issues were ‘table stakes’ and that management of issues which the customer considered a priority was vital.
- Surprisingly, retailers considered it highly important for their suppliers to ensure their staff are engaged and involved in the local community – reflecting their own principles in that area
- Another surprise was the low concern evoked by climate change impacts on suppliers such as Tosca, especially given our logistical dependencies, and that product quality and safety did not feature as a higher priority.
- When looking at retailer suppliers, an additional priority was water management which was considered as high a priority as GHG emissions, human rights, transparency and ethics.
- Data security was also identified by retailer suppliers to be of a much higher concern than retailers had stated.

Customer Identified Priorities

Top ESG issues

- During customer interviews six (6) sustainability issues were most commonly cited as being of high importance in the context of logistics and supply chain operations in general, and packaging specifically.

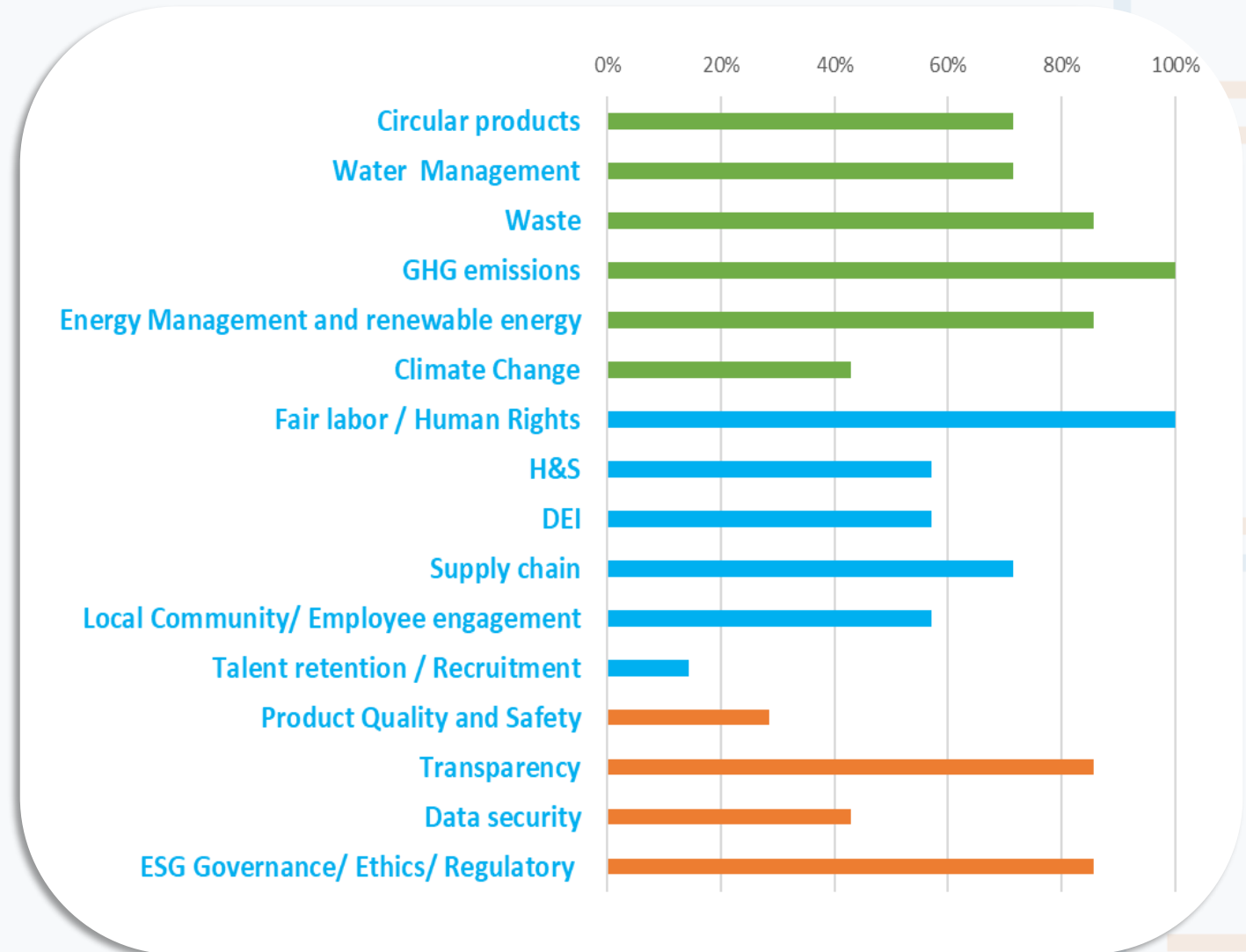
- Circular (sustainable) products
- Energy Management and renewable energy
- Waste
- GHG emissions
- Fair labor / Human Rights
- Transparency and reporting

Customers interviewed were all food related, from both the Retail and the Supplier sides of the business, and from the USA , Europe or UK.

All customers, irrespective of type, stated that management of sustainability issues were 'table stakes' and that management of issues which the customer considered a priority was vital.

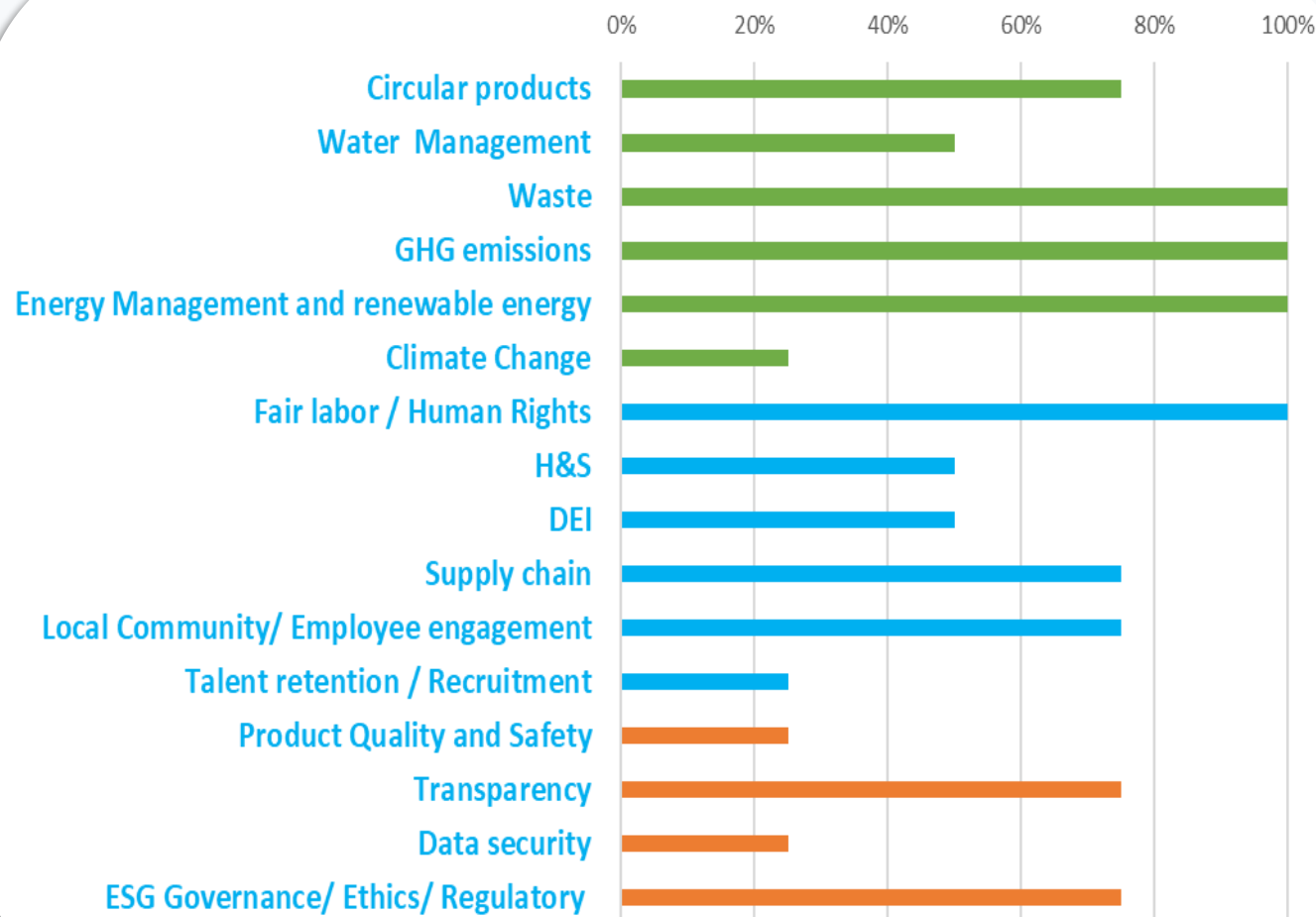
Priority issues across ALL Customers

- Tosca customers from both sides of the food related business (retailers and their suppliers) identified GHG emissions as being of the highest priority for suppliers such as Tosca to focus on, followed by human rights and fair labor.
- Energy management and need for renewable energy use supported the GHG emissions priority.
- Customers valued transparency in reporting, especially in terms of ESG data and also had a high expectation that suppliers are ethical in their dealings with them and their supply chain.



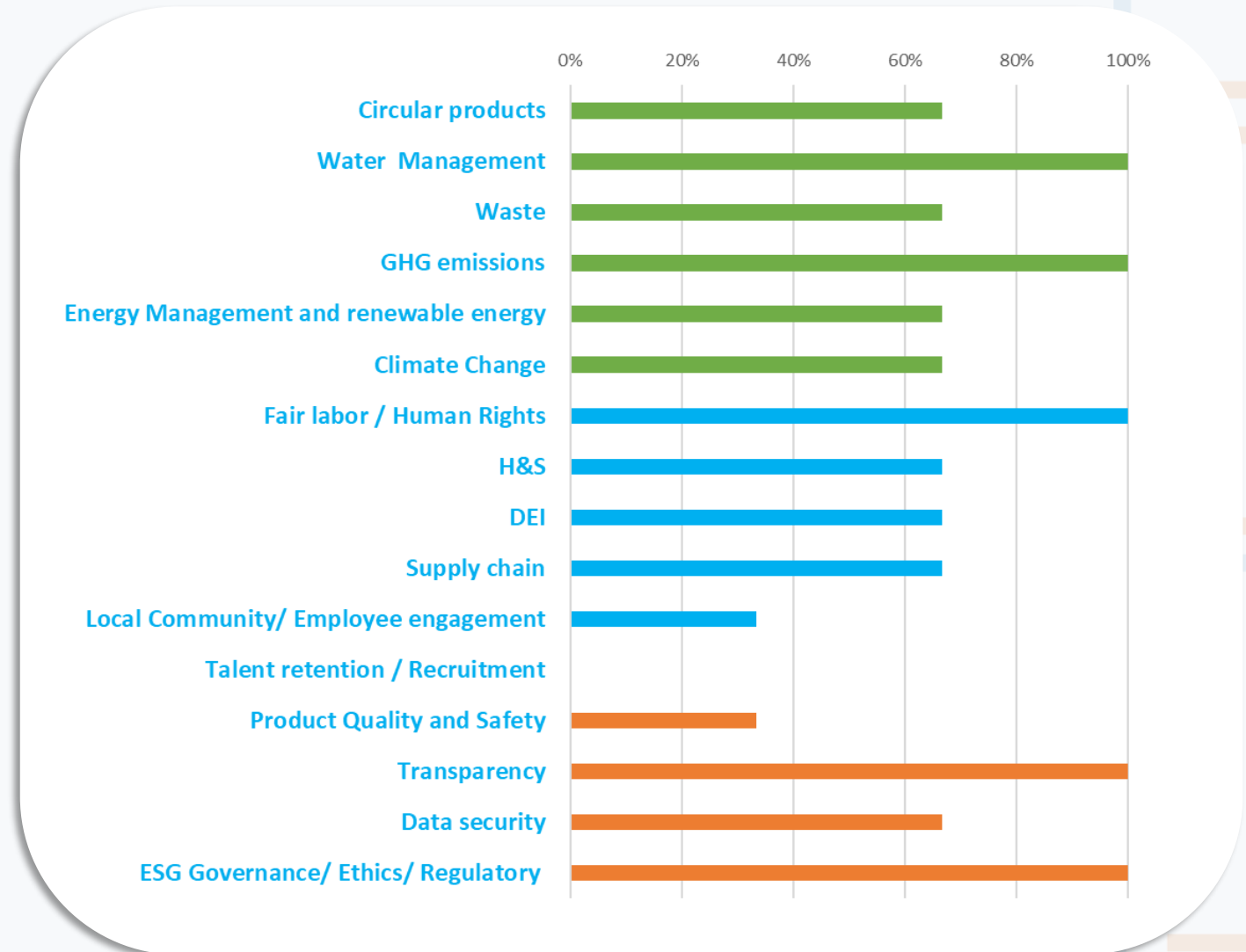
Priority issues by Retailers

- Retailers considered waste to be just as important as GHG emissions, energy management/ renewable and human rights / fair labor
- Along with transparency and ethics retailers also considered circular packaging products and supply chain management to be important.
- Surprisingly, retailers considered it highly important for their suppliers to ensure their staff are engaged and involved in the local community – reflecting their own principles in that area
- Another surprise was the low concern evoked by climate change impacts on suppliers such as Tosca, especially given our logistical dependencies, and that product quality and safety did not feature as a higher priority.



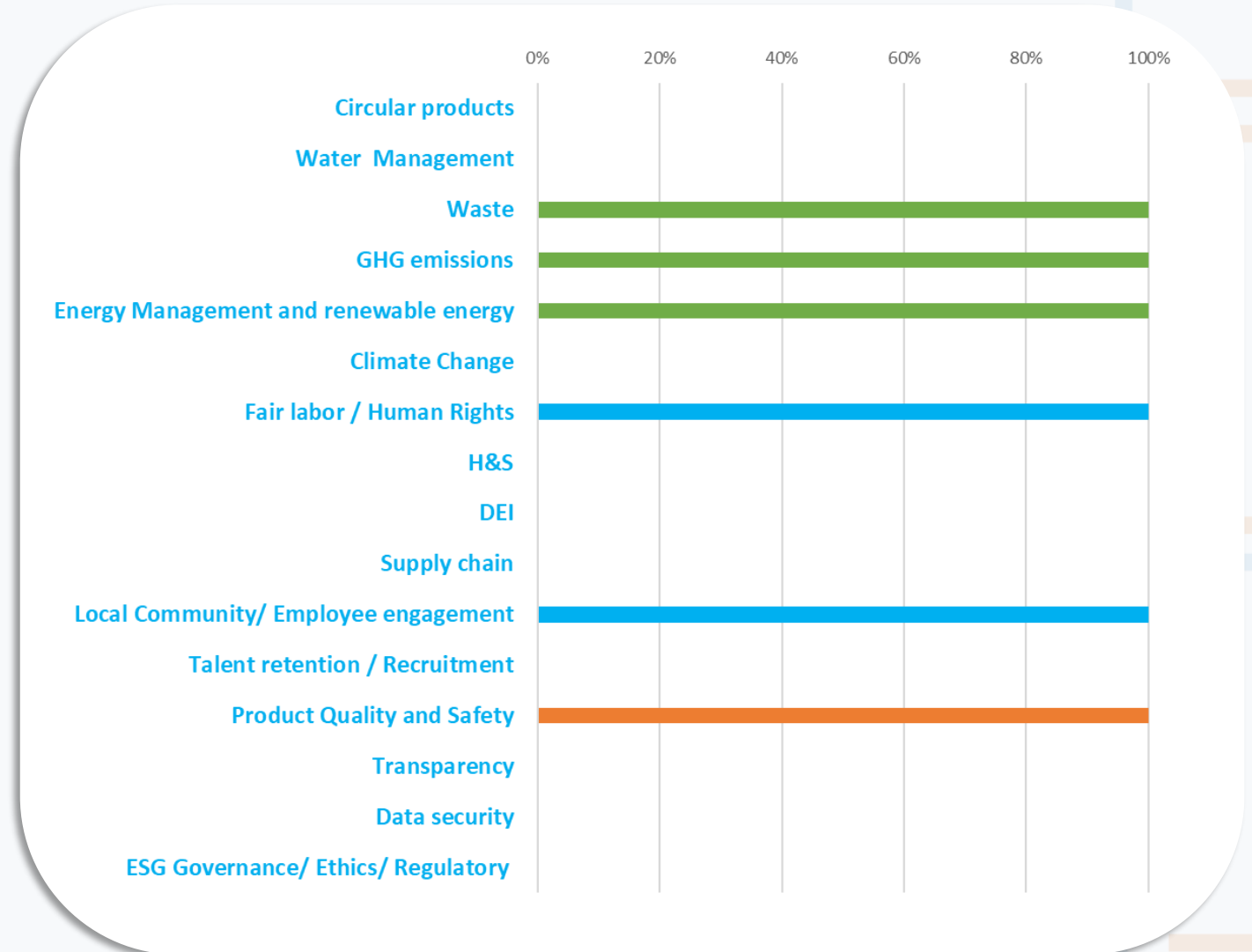
Priority issues by Suppliers (to Retailers)

- Suppliers included water management as a priority alongside GHG emissions, human rights, transparency and ethics.
- Data security was identified as a much higher concern than retailers had stated.
- Energy management/ renewable energy, circular products, supply chain and waste were of lower priorities compared to retailers. The lower priority for circular products and waste is consistent with the fact that Extended Producer Responsibility/ Plastics reduction is expected to impact primary packaging (retailers) more than B2B packaging in general.



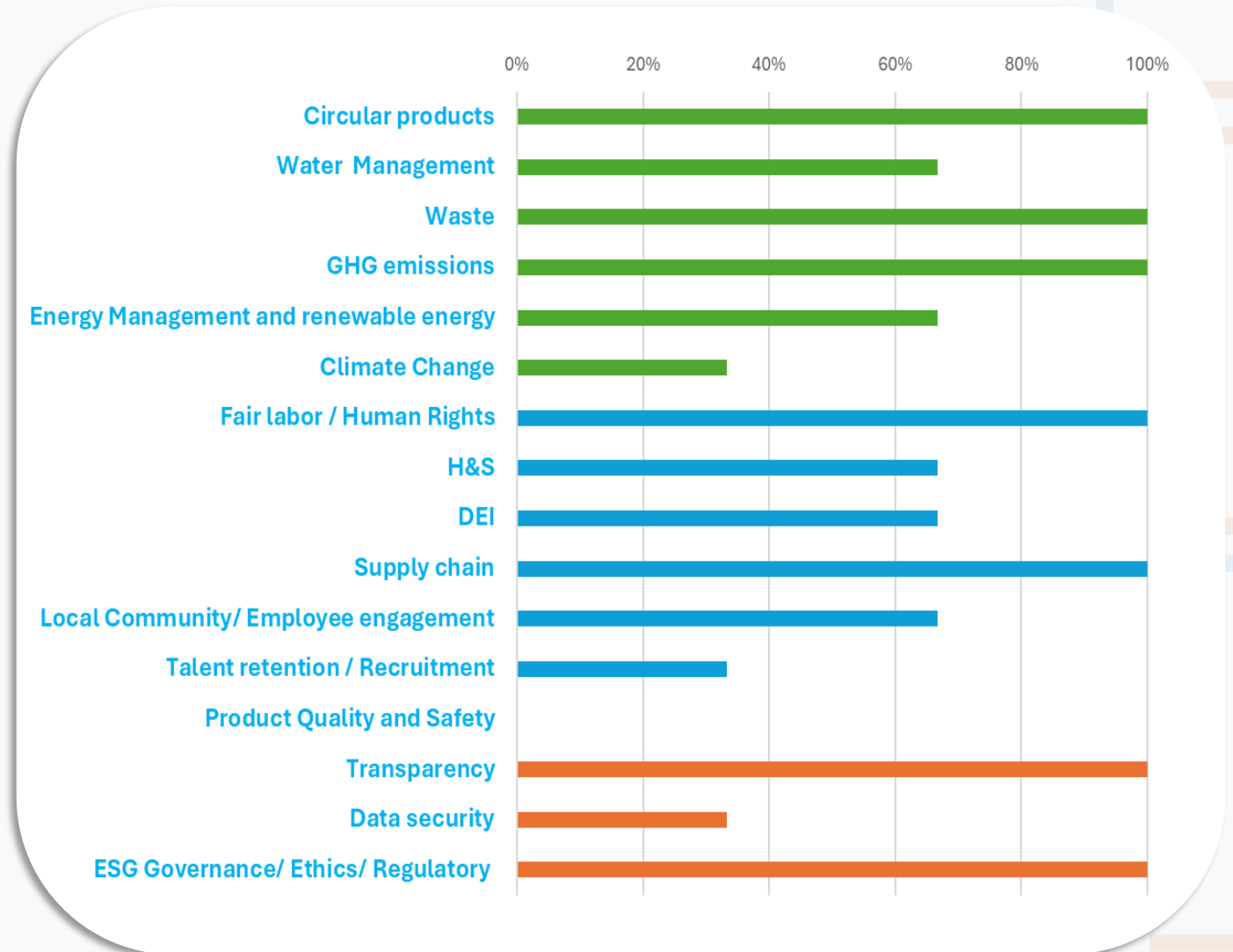
Priority issues by Retailers in EMEA

- The retailers in Europe and the UK (EMEA) only focused on 6 key areas of concern. The reason given was that the other issues listed are either heavily regulated meaning there is no choice in prioritizing, or that the issues are considered table stakes and thus did not warrant evaluation.
- The six key areas were considered to be equally important.
- Once again retailers considered it highly important for their suppliers to ensure their staff are engaged and involved in the local community – reflecting their own principles in that area.



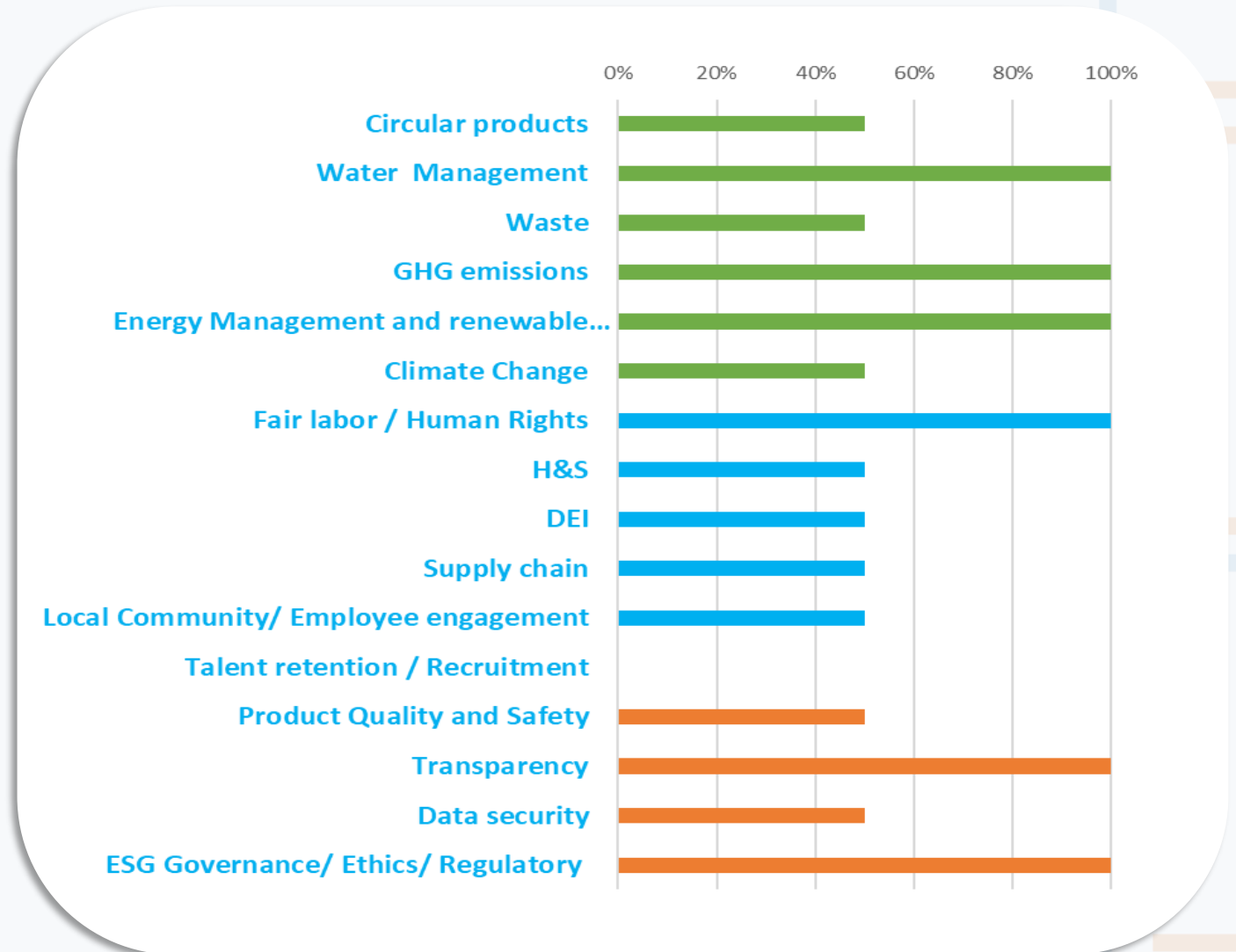
Priority issues by Retailers in the USA

- The retailers in the US identified circular products, waste and supply chain to be as high a priority in terms of material issues as GHG emission, human rights, transparency and ethics.
- Health and Safety and Diversity and Inclusion were considered as important as water and energy management.
- Employee engagement was also identified as an important topic for suppliers such as Tosca to consider



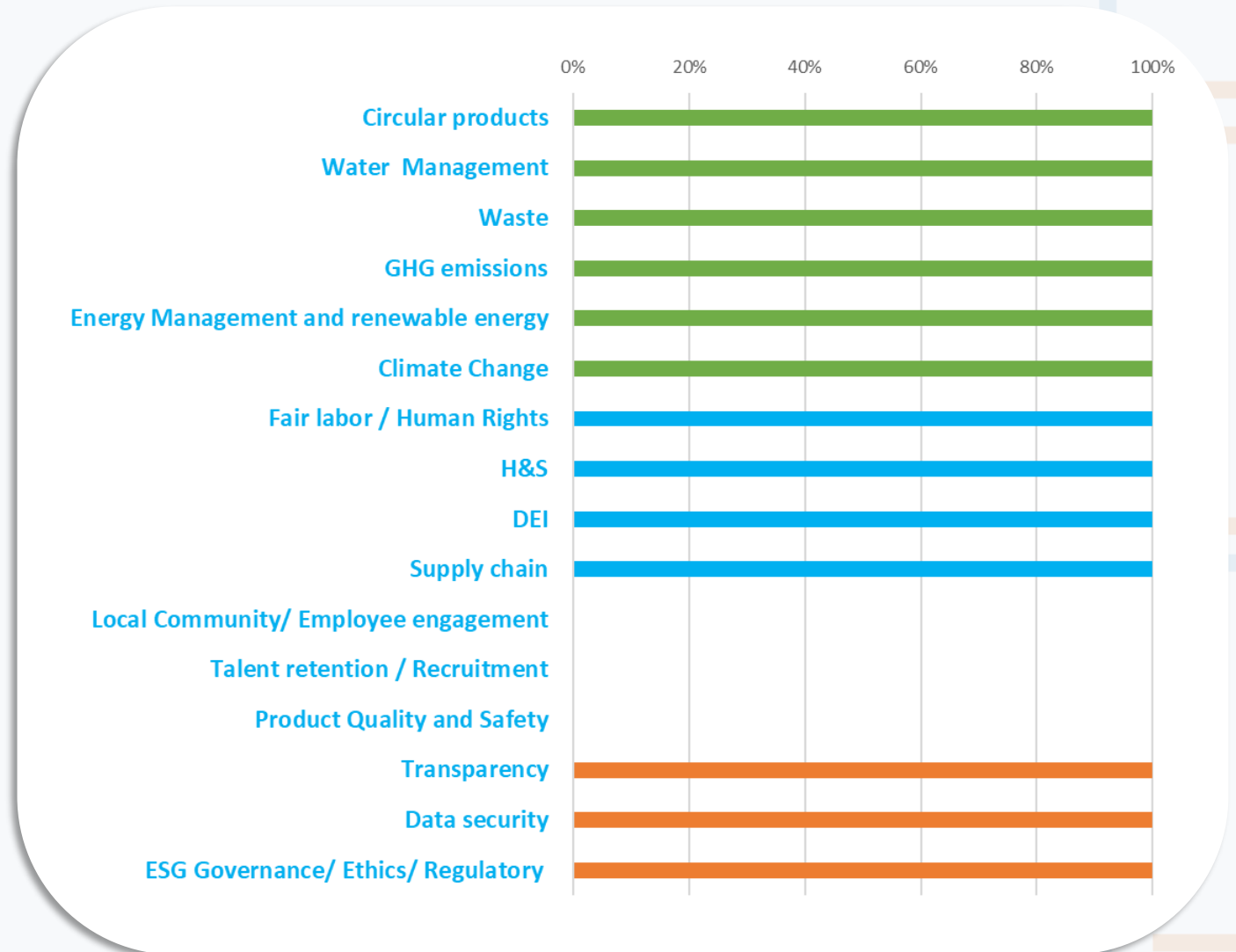
Priority issues by Suppliers in EMEA

- Suppliers priorities in EMEA included water management and energy management / renewable use as priorities alongside GHG emissions, human rights, transparency and ethics.
- The other issues were deemed to be equally important to each other with suppliers across the board finding it hard to prioritize one issue over another.



Priority issues by Suppliers in the USA

- Suppliers in the US stated that all ESG topics had an equal value across the board which we found unusual. You would expect a variation based on different supplier drivers.
- One explanation we have for this result is that the suppliers we interviewed/ surveyed are suppliers to some of the largest retailers in the US who have very similar and proactive sustainability requirements. Their priorities therefore become the suppliers' priorities.
- It still came as a surprise that product quality and safety was not considered important/ material.
- Issues linked to Tosca's workforce were not considered important by the suppliers we surveyed. Responses illustrated how this is believed to be 'of concern to the vendor company' and not to be dictated by the client.



For Further Information or questions on this Benchmark report
please contact:

Dr. Karin Witton: kwitton@tosca ltd.com

Guy Delmelle: guy.delmelle@tosca ltd.com

