Grocery Delivery E-Services USA Inc.

Climate-Related Financial Risk Report

December 2025

Compliance Statement

This report was developed in response to California's Climate-Related Financial Risk Disclosure Program established by Senate Bill 261. HelloFresh SE's U.S. corporate entity, Grocery Delivery E-Services USA Inc (GDES), has developed the following disclosures consistent with the Task Force on Climate-related Financial Disclosures (TCFD) guidance:

- Governance (a), (b)
- Strategy (a), (b), (c)
- Risk Management (a), (b), & (c)
- Metrics and Targets (a), (b), & (c)

Climate risk governance, strategy, risk management, and metrics & targets are managed at the parent company level through efforts relevant to subsidiaries, including GDES. The disclosures in this report will refer to "GDES" when discussing the U.S. corporate entity, and "HelloFresh Group" when discussing the parent company.

The efforts outlined in the following report represent steps in the company's ongoing climate journey. Long-term risks and opportunities have been identified as potentially relevant to GDES through a third-party assessment, leveraging external insights as well as company-specific inputs. The results of this assessment have been shared with leads from the HelloFresh Group, as a supplemental input to company-wide risk management systems, which already consider climate risks. No climate-related risks were identified as financially material through the company-wide 2024 risk assessment. For information on material risks, please reference the HelloFresh Group's Annual Report. In addition, further details on the HelloFresh Group's climate activities can be found in the firm's Non-Financial Report.

Governance

TCFD – Governance (a): Describe the Board's oversight of climate-related risks and opportunities.

The HelloFresh Group has a two-tier governance system comprising a Management Board and a Supervisory Board. Both the Supervisory Board and the Management Board ("Boards") conduct oversight of climate-related risks and opportunities, with overall accountability for sustainability topics falling to co-founder and Management Board member Thomas Griesel.

The Supervisory Board acts as the controlling and monitoring body of the company; it advises and supervises the Management Board in its work and is involved in all fundamental decisions. The Management Board oversees day-to-day management of the company, is responsible for business operations, strategic direction, and oversees risk management and control. The Boards maintain regular contact through plenary sessions and topic-specific committees. In 2025, there were four Supervisory Board committees: the Executive and Nomination Committee, the Audit Committee, the Remuneration Committee, and the ESG Committee.

The ESG Committee is chaired by the Chairman of the Supervisory Board and includes three additional members with experience in and expertise on sustainability matters. The ESG Committee monitors, advises, and oversees the Management Board's actions and decisions on environmental and sustainability matters, including climate-related risks and opportunities.

The ESG Committee communicates with the Supervisory Board regarding the views and interests of stakeholders affected by the HelloFresh Group's sustainability-related material topics via quarterly meetings. Climate-related targets and sustainability key performance indicators are also reviewed with company executives and the ESG Committee quarterly.

The HelloFresh Group's Boards provide oversight of climate-related risks and opportunities that extends to business planning. For example, the HelloFresh Group is developing a Climate Action Plan, which outlines an approach to reduce emissions from the Group's direct operations and value chain.

While the Boards have weighed in on climate-related risks and opportunities as identified through the HelloFresh Group's double materiality assessment, the risks and opportunities outlined in this report were derived through a separate climate-related Risks and Opportunities Assessment and have not yet been incorporated into the HelloFresh Group's enterprise risk management process. Board oversight and potential integration into the company's enterprise risk management process is in progress as the company weighs the significance of these climate-related risks and opportunities in relation to other risks.

TCFD – Governance (b): Describe management's role in assessing and managing climate-related risks and opportunities.

The HelloFresh Group's sustainability directors drive and oversee progress on sustainability matters, including climate-related risks and opportunities, as well as the implementation of the HelloFresh Group's global sustainability strategy. The sustainability directors work closely with and receive regular updates from the company's topic leads, who are responsible for driving company-wide measures, monitoring progress on targets, and supporting regional sustainability managers in the local implementation of measures. The HelloFresh Group's sustainability directors report to the Chief Operating Officer - Upstream, who reports to the Management and Supervisory Boards.

Greenhouse gas (GHG) emissions and other key performance indicators are monitored continually by the sustainability team, Investor Relations, and other stakeholders. These topics are brought to the attention of company management and the Boards in quarterly meetings, as well as reviewed by the ESG Committee.

For more information on how the Boards monitor and oversee progress against goals and targets for addressing climate-related issues, as well as information on climate-related responsibilities assigned to management-level positions or committees, reference the Governance section, disclosure (a).

Strategy

TCFD – Strategy (a): Describe the climate-related risks and opportunities the organization has identified over the short, medium, and long term.

GDES has identified relevant climate-related risks and opportunities over the short-term (0-1 year), medium-term (1-5 years), and long-term (5+ years), with a specific focus on North American operations and the associated value chain. These risks and opportunities were identified as potentially relevant to GDES through a third-party assessment, outlined in greater detail in Risk Management (a). The results of this assessment have been shared with leads from the HelloFresh Group, as a supplement to company-wide risk management systems, which already consider climate risks.

This climate risk assessment does not apply the broader double materiality standard used in EU legislation, such as the Corporate Sustainability Reporting Directive (CSRD). However, insights from the HelloFresh Group's double materiality assessment and risk management system have been used to help identify and prioritize relevant climate-related risks for review. Inclusion of a risk in this report does not imply its materiality under U.S. securities law or other regulatory definitions.

For information on material risks, please reference the HelloFresh Group's Annual Report.

Table 1: Climate-Related Risks & Opportunities

Description	Potential Financial Impacts	Time Frame	Mitigation/Adaptation
Transition Risks			
Expansion of carbon pricing regulations	• Increased compliance costs • Increased indirect costs	Long	Existing investment in renewable energy, fleet electrification, and route optimization Development of the Climate Action Plan to further reduce scope 1, 2, & 3 emissions
Enhanced emissions-reporting obligations	• Increased compliance costs • Upfront costs to adopt new data and reporting systems	Medium	Continued investment in reporting infrastructure
Physical Risks			
Increased severity of extreme weather events	• Disruption in operations and logistics • Asset damage • Increased insurance premiums	Medium	Nimble and geographically diverse supply chain Robust emergency preparedness

Changes in precipitation patterns, rising mean temperatures, and variability in weather patterns	• Supply shortages or variability • Increased ingredient costs	Long	Nimble and geographically diverse supply chain Continuous monitoring of ingredient-related sourcing risks
Opportunities			
Use of more efficient production and distribution processes	• Reduced costs from production and logistics • Improved productivity	Short-Medium	Continued investment in energy-efficient systems and low-emission technologies
Use of lower-emission sources of energy	• Investments required in renewable infrastructure • Improved stability of energy costs and potential long-term cost savings	Medium-Long	Continued investment in renewable electricity generation, low-emission energy procurement, and fleet electrification

Transition Risks

- **Expansion of carbon pricing regulations:** GDES's direct operations and supply chain generate emissions across multiple jurisdictions, creating exposure to potential future carbon regulations. While this represents a long-term risk in the U.S., the introduction, escalation, or expansion of carbon pricing mechanisms and product-carbon regulations have the potential to increase operating and ingredient costs, particularly for high-emission ingredients, packaging materials, and imported goods. Additional regulations may prompt further investment in low-emission technologies and facility upgrades to maintain competitiveness. GDES is already pursuing meaningful emissions reductions, reducing exposure to policy-related risk. These actions include investing in renewable energy, electrifying its delivery fleet, and improving route efficiency, as well as reducing value chain emissions through insetting. The company is also developing a Climate Action Plan focused on reducing Scope 1, 2, and 3 emissions.
- **Enhanced emissions-reporting obligations:** With the introduction of mandatory climate-related disclosures in California and the consideration of similar legislation in other states, GDES faces increasing pressure to report detailed and verifiable greenhouse gas emissions data, as well as information on other broader climate-related topics. Enhanced disclosures and emerging product-level carbon reporting requirements may generate additional costs for advanced data collection systems, supplier engagement, third-party verification, and other enabling activities. Inaccurate or incomplete disclosures could expose the company to reputational damage, compliance risks, and potential financial penalties. However, the HelloFresh Group's global reporting efforts, including an annual non-financial report disclosing greenhouse gas emissions, significantly reduce future compliance risk.

Physical Risks

- **Increased severity of extreme weather events:** GDES's U.S. operations, as well as its supply chain and delivery network, may be susceptible to disruptions and damage from floods, storms, heat waves, and other climate hazards. Such events have the potential to increase spoilage risk, affect employee safety, and disrupt operations, posing challenges to operational continuity and fulfillment reliability. Replacement or repair of inputs and assets due to damage from these events may generate additional costs. GDES strengthens business resilience by diversifying the company's supply chain, weather-proofing assets, and implementing robust emergency procedures.
- **Changes in precipitation patterns, rising mean temperatures, and variability in weather patterns:** Irregular rainfall, rising mean temperatures, and shifting growing seasons have the potential to affect the supply and quality of ingredients sourced by GDES. Droughts or excessive rainfall may limit yields and produce availability, raise prices, or prompt more frequent sourcing adjustments, impacting financial performance. Through the company's supply chain management, GDES strengthens long-term supply chain resilience, reducing dependencies on single regions or partners. Continuous monitoring of ingredient-related sourcing risks further enhances long-term supply resilience. While facilities may be relatively resilient to these chronic changes, rising mean temperatures may increase demand for and use of refrigeration and heating, ventilation, and air conditioning systems, increasing energy demand, equipment depreciation, and associated costs. GDES's existing focus on energy and operational efficiency reduces risk exposure.

Opportunities

- **Use of more efficient production and distribution processes:** Energy efficiency represents one of GDES's key decarbonization levers. Energy use is considered not only in production but also in the procurement of systems, components, and services. In addition, GDES is pursuing opportunities to optimize routes based on the lowest fuel consumption, reducing emissions and costs.
- **Use of lower-emission sources of energy:** Transitioning to renewable energy is another key measure that helps HelloFresh reduce carbon emissions. GDES currently purchases renewable sources of electricity from energy suppliers and invests in on-site renewable energy generation. Since 2020, GDES's U.S. sites have purchased enough bundled and unbundled RECs to cover their full electricity needs with renewable energy. The company is also investing in electric vehicles to further unlock opportunities for fuel switching and renewable energy use. While initial investments are required to transition to electrification and renewable technology, using renewable and lower-emission energy sources can reduce energy costs over the long term, improve cost stability, lower dependence on volatile fossil fuel markets, and limit exposure to future carbon price increases.

TCFD – Strategy (b): Describe the impact of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning.

Planning regarding climate-related risks and opportunities occurs at the Group level. Climate-related risks and opportunities are integrated into the HelloFresh Group's business, strategy, and financial planning in various ways, including:

- **Operations:** The HelloFresh Group's Logistics team is responsible for identifying severe weather, implementing needed changes to operations, and notifying customers of potential delays. Depending on severity, events may be escalated to executive leadership for evaluation and decision-making. As necessary, the company enacts emergency procedures, which may include using alternative distribution centers to enable service continuity, notifying employees of changes in activities, or providing food and shelter within company facilities to employees until the event has passed.
- **Budgeting:** In capital planning, the HelloFresh Group's operations teams consider risks that might impact the resilience of the business, including climate-related weather risks. Budgets are allocated both for maintenance and repairs. In addition, the company works with a nationwide contractor who reviews assets and proposes preventative maintenance, such as improved pipe insulation, to enhance the resilience of assets to climate and other risks.
- **Supply Chain:** The HelloFresh Group works with a broad network of suppliers across various regions and climate zones, minimizing the risk of disruptions from weather-related harvest issues or supply chain interruptions. This diversification, coupled with supply chain redundancy, allows for supply security and lowers risk exposure.
- **Climate Action Plan:** The HelloFresh Group's Climate Action Plan, which is currently under development, formally integrates climate-related considerations into company-wide business planning. This plan includes GHG emissions reduction targets that focus on emissions sources across Scopes 1, 2, and 3, including global operations and value chain initiatives.

TCFD – Strategy (c): Describe the resilience of the organization's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.

To evaluate the resilience of GDES's strategy under different transition pathways, the company engaged a third party to perform a qualitative scenario-based assessment. The analysis examines how transition and physical climate-related risks might affect the company's operations and value chain, with a focus on the company's U.S. operations and value chain. Risks were evaluated to 2050 to capture long-term implications. This qualitative analysis represents a first step to identify risks that may merit a more granular, site-specific assessment in the future. All scenario analyses aim to provide supplemental information on external risks to further inform the company's overarching risk management system.

Transition risks: The analysis leverages insights from the International Energy Agency (IEA)'s Global Energy and Climate (GEC) Model. Two scenarios were reviewed: a custom Current State scenario, which assumes the continuation of current emissions trajectories without transformative energy shifts, and the

IEA Net Zero Emissions by 2050 Scenario (NZE), which represents a global pathway towards limiting global warming to 1.5 °C.[1] A high-level summary of results is included in Table 2.

Table 2: Resilience to Transition Risks Across Scenarios

Current State	**Net Zero Emissions (NZE)**
Baseline scenario assuming no mitigation, limited climate policies, and continued fossil fuel dependence	*Immediate, stringent policies and net-zero energy-related CO2 emissions by 2050*
Policy & Legal Risks - Expansion of carbon pricing regulations	
Under the Current State scenario, no material policy shifts are anticipated. ● Carbon pricing schemes continue to exhibit restricted scope and geographic reach, resulting in minimal exposure for GDES's U.S. operations.	● In the NZE scenario, carbon pricing expands globally, rising rapidly across advanced economies and major emerging markets with net-zero pledges.[2] ● While GDES is already reducing greenhouse gas emissions, the magnitude of decarbonization required under NZE would necessitate significant investment and technological innovation, representing high overall risk.
Policy & Legal Risks - Enhanced emissions-reporting obligations	
● Even under the Current State scenario, climate-related disclosure requirements continue to advance across multiple jurisdictions. ● GDES has already established robust climate-related data management and reporting efforts that align with best practices, reducing risk exposure.	● The NZE roadmap identifies the need for robust and comparable emissions measurement and reporting as a foundation for credible net zero transition plans.[3] ● GDES may experience even more stringent and comprehensive disclosure obligations, requiring further investment in reporting processes across complex supply chains, building on the company's strong foundation.
Technology Risks - Cost to transition to lower emissions technology	
● Under the Current State scenario, fossil fuel use remains dominant with only gradual policy tightening and limited regulatory or market pressure to decarbonize. ● As such, there is minimal immediate transition risk exposure from GDES's continued use of fossil fuel-powered technology in this scenario.	● Under the NZE scenario, the global energy system is projected to undergo rapid transformation, driven by accelerated deployment of clean and energy-efficient technologies and a sharp decline in the use of unabated fossil fuels.[4] ● While GDES has initiated strategic investments in low-carbon technologies and renewable energy, the speed of the shift in the NZE scenario poses significant risks.

[1] IEA, Global Energy and Climate Model, Net Zero Emissions by 2050 Scenario (NZE)
[2] IEA, World Energy Outlook 2024
[3] IEA, Net Zero Roadmap: A Global Pathway to Keep the 1.5 °C Goal in Reach
[4] IEA, Net Zero Roadmap: A Global Pathway to Keep the 1.5 °C Goal in Reach

Physical risks: To evaluate resilience to physical risks, the analysis leverages insights from the Intergovernmental Panel on Climate Change (IPCC) Sixth Assessment Report (AR6).[5] These risks are analyzed by evaluating three key climate hazards: (1) storms and heavy precipitation, (2) mean temperature, and (3) drought. Changes in risks at +2°C and +1.5°C of global warming were considered, aligned to high and low emissions trajectories, respectively. A high-level summary of key results is included in Table 3. While this initial analysis provides a qualitative risk review, HelloFresh plans to expand the scenario analysis in the future through a quantitative assessment spanning additional regions and physical hazards.

Table 3: Resilience to Physical Risks Across Scenarios

Acute Risks - Storms & Heavy Precipitation
Regardless of scenario, climate models project an overall increase in extreme precipitation across central, western, and eastern North America (very likely).[6] Tropical cyclones, severe storms, and dust storms are expected to become more extreme, particularly in the East Coast and Gulf Coast (medium confidence).[7] While there is a high likelihood of increasing severe weather, the risk magnitude remains low in the North American regions where GDES operates. GDES's focus on operational redundancies, asset resilience, and supply chain diversification further mitigates risk exposure.
Chronic Risks - Mean Temperatures
Under all future scenarios and global warming levels, mean temperatures in North America are expected to continue to increase, with greater warming in northern subregions (virtually certain).[8] Mean temperatures across North America are projected to rise, which may introduce additional challenges for GDES's operations and supply chain. However, the company's continued focus on supplier diversification, paired with efforts to improve operational efficiency and expand renewable energy-powered cooling systems, helps limit vulnerability to these changes.
Chronic Risks - Drought
Droughts will continue to increase in western and central North America, particularly at higher warming levels (high confidence).[9] While GDES's North American facilities and distribution centers are unlikely to experience substantial direct impacts due to lower overall water intensity, drought-related stress on agricultural regions may affect GDES's produce and ingredient supply chain. Even with these pressures, GDES's ongoing efforts to strengthen supplier resilience and maintain flexibility in ingredient sourcing help to reduce the likelihood of major disruptions.

5 IPCC, Sixth Assessment Report, Climate Change 2021: The Physical Science Basis

6 IPCC, Regional Fact Sheet - North and Central America

7 IPCC, Regional Fact Sheet - North and Central America

8 IPCC, Regional Fact Sheet - North and Central America

9 IPCC, Regional Fact Sheet - North and Central America

Risk Management

TCFD – Risk Management (a): Describe the organization's processes for identifying and assessing climate-related risks.

In preparation for the Corporate Sustainability Reporting Directive (CSRD), GDES conducted a double materiality assessment. This process began with a review of the list of sustainability matters provided in the European Sustainability Reporting Standards (ESRS) General Requirements to identify potentially material Impacts, Risks, and Opportunities (IROs) for the company, including climate-related risks. All value chain stages, assets, activities, geographies, and brands were considered during this identification of IROs. Direct and indirect impacts on GDES, on people, and on the environment from operations and business relationships were also included. The list of potential IROs was narrowed down to those determined to be most relevant to GDES's operations, value chain, and products.

The identified IROs were assessed against a scale of impact or financial materiality. Positive impacts were assessed according to their scale, scope, and likelihood, while negative impacts were assessed by their likelihood and severity. Financial risks and opportunities were assessed by magnitude and likelihood. All criteria for the IROs were scored on a scale of 1-5, with 1 indicating an insignificant financial effect on business operations and profitability, and 5 indicating a severe negative effect. These scores were used to calculate a final impact or financial materiality score. GDES applied both general quantitative thresholds as well as more specific thresholds that account for negative impacts (where severity takes precedence over likelihood). All IROs exceeding the thresholds were considered material for the company and prioritized. Internal topic experts reviewed, modified, and validated the revised list of potentially material topics as well as the scoring of material IROs. At each stage where inputs on the identification, assessment, and prioritization of IROs were collected from internal topic experts, the information was reviewed for compliance with CSRD requirements. Ultimately, the outcomes of the materiality assessment were reviewed with senior leadership.

The results of the company's previous double materiality assessments and internal risk register, as well as the Sustainability Accounting Standards Board's (SASB) Materiality Finder, the Sustainable Development Goals (SDGs), MSCI's ESG Industry Materiality Map, academic studies, existing and emerging regulations, and feedback from internal experts formed the basis of this review.

In addition, GDES collaborated with a third-party consultant in 2025 to complete a Climate Risks and Opportunities Assessment to inform future company-wide risk assessments. This assessment provided a broad review of more than 30 climate-related risks and opportunities, including both physical and transition risks, examining external factors such as existing and emerging regulations, outputs of climate models, industry guidance, and peer benchmarking. This resulted in an external analysis of climate-related risks and opportunities for GDES across the short-, medium-, and long-term.

While the Boards have weighed in on climate-related risks and opportunities as identified through the HelloFresh Group's double materiality assessment, the risks and opportunities outlined in this report were derived through a separate climate-related Risks and Opportunities Assessment and have not yet been incorporated into the HelloFresh Group's enterprise risk management process. Board oversight and potential integration into the company's enterprise risk management process is in progress as the company weighs the significance of these climate-related risks and opportunities in relation to other risks.

TCFD – Risk Management (b): Describe the organization's processes for managing climate-related risks.

GDES does not seek to avoid risks at all costs, but rather to carefully weigh the opportunities and risks associated with its decisions and business activities from a well-informed perspective. Accordingly, opportunities should be pursued to drive value, and risks should be managed within the company's defined risk appetite through appropriate mitigation measures, risk transfers, or avoidance where necessary. Employees are required to act in the company's interest and manage risks appropriately within their respective areas of responsibility.

The HelloFresh Group has implemented a formal Risk Management System (RMS) to better support business operations and ensure compliance with regulatory requirements regarding risk management. It covers both financial and non-financial risks, including operational, regulatory compliance, sustainability, and climate risks and is documented in the company's risk management policy. The RMS is designed to identify, assess, and mitigate risks that could impact the company's performance, reputation, and long-term resilience and is based on the Committee of Sponsoring Organizations (COSO) framework for enterprise risk management. Relevant measures to identify, assess, and mitigate the HelloFresh Group's key risks are defined in a standardized Risk Management Cycle.

The company also employs a risk matrix that enables risk comparison and enhances transparency regarding the HelloFresh Group's overall risk exposure, including climate-related risks. All identified risks are quantified based on their likelihood of occurrence and potential impact and entered into the risk matrix. Risks that could significantly affect the company are reported immediately upon identification to the Chief Financial Officer and the Management Board. Depending on the severity, such risks may also be escalated to the Audit Committee for further review and oversight.

Through this process, risks are assigned a treatment strategy from acceptance to mitigation. Risk owners are responsible for defining adequate risk treatment and implementing risk mitigation measures based on their expertise in the topic. Regular assessment of the effectiveness of mitigation efforts also falls to risk owners, with leadership oversight based on risk significance.

TCFD – Risk Management (c): Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organization's overall risk management.

As described in Risk Management (b), sustainability and climate-related risks are integrated directly into the HelloFresh Group's overall Risk Management System. The integration of risks related to non-financial reporting into the Group's internal control framework is an ongoing process that was further expanded in 2025 and will continue to be refined, including the results of the new Climate Risks & Opportunities Assessment.

For more information on the company's overall risk management processes, please reference the HelloFresh Group's 2024 Annual Report. For more information regarding the HelloFresh Group's efforts to manage climate-related risks, reference the Strategy section, disclosures (a) and (b).

Metrics & Targets

TCFD – Metrics and Targets (a): Disclose the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process.

Climate-Related Metrics

The HelloFresh Group uses the following metrics to assess climate-related risks and opportunities and track progress against targets:

- Scope 1, 2, and 3, and total greenhouse gas (GHG) emissions
- Emission Intensity
- Non-renewable, renewable, and total energy consumption
- Energy Intensity

To view the HelloFresh Group's performance toward these metrics, please reference the HelloFresh Group's 2024 Non-Financial Report.

Methodologies Used to Calculate Energy Metrics

The HelloFresh Group tracks electricity, natural gas, and fuel consumption from the company's owned delivery fleet and the facilities over which the company has operational control. Data on energy and fuel consumption is collected, where possible, from primary data sources, such as invoices. Where primary consumption data is not available for facilities, estimates based on historical consumption values or on facilities with similar functions are used. For the owned delivery fleet (outbound logistics), where primary fuel consumption is unavailable, estimates are based on box count or on prior consumption values. To calculate energy intensity based on net revenue, the company's total energy consumption is divided by total net revenue.

Performance Linked to Compensation

Performance toward the HelloFresh Group's climate-related targets is incorporated into company remuneration policies. The achievement of the HelloFresh Group's 2025 environmental targets to reduce GHG emissions from the meal-kit, ready-to-eat, and other businesses' production facilities is directly linked to management performance indicators and represents 10% of the long-term variable compensation for each member of the HelloFresh Group Management Board.

Carbon Pricing

While the HelloFresh Group does not have an internal carbon price in place, the Group established an Insetting Fund to finance supplier projects that support the decarbonization of the supply chain in 2024.

The Insetting Fund was financed by a fixed contribution from different markets within the Group's International segment, with contributions scaled according to volume and climate impact. The Insetting Fund thus acts as an accountability mechanism, similar to an internal fee: high-emitting markets contribute to the financing pool in order to reduce the climate impact of the supply chain.

The Insetting Fund distribution is focused solely on suppliers of ingredients, given that the emissions from agricultural production make up the majority of the Group products' climate change impact (according to the 2022 Life Cycle Assessment - 56% of the meal kits' carbon impact).

Though the company allocates a Group-wide budget for the implementation of a diverse set of supplier projects, the Group does not apply a formal carbon price to help inform decision-making processes in this first iteration of the Insetting Fund. The contribution of each entity to the Fund is agreed based on a budgeted total investment amount, rather than on a carbon-linked price. As the Insetting Fund project matures and as the HelloFresh Group gains experience in insetting, the Group will continue to evaluate establishing more formal carbon pricing mechanisms.

TCFD – Metrics and Targets (b): Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks.

The HelloFresh Group calculates and discloses group-wide Scope 1, 2, and 3 greenhouse gas emissions annually in accordance with the Greenhouse Gas Protocol, serving as a basis for the company's GHG emission reduction targets and carbon mitigation approach. For details on the firm's past greenhouse gas emissions, please reference the HelloFresh Group's 2024 Annual Non-Financial Report. In addition, the company plans to calculate and submit Scope 1 and 2 emissions for the 2025 reporting year in alignment with requirements under California Senate Bill 253.

Methodology Used to Calculate Emissions Metrics:

The HelloFresh Group calculates the emissions in accordance with the Greenhouse Gas Protocol Corporate Accounting and Reporting Standard Revised and ISO 14064, applying the principles of relevance, completeness, consistency, accuracy, and transparency. The Group applies the operational control approach, meaning the Group includes 100% of the emissions from operations over which the HelloFresh Group or its subsidiaries have operational control. The resulting Scope 1 and 2 emissions footprint covers at least 90% of the Group's operations, and no less than 95% of estimated carbon emissions. Across Scopes 1, 2, and 3, the HelloFresh Group selects the emissions factors most accurate and relevant to the Group's specific context. Please see Appendix 1 of the HelloFresh Group's 2024 Non-Financial Report for emissions factors used.

TCFD – Metrics and Targets (c): Describe the targets used by the organization to manage climate-related risks and opportunities, and performance against targets.

To manage climate-related risks and opportunities, the HelloFresh Group follows a carbon mitigation approach to measure and reduce its GHG emissions. A key part of this approach involves making the company's operations more energy efficient and transitioning to renewable forms of energy such as solar, wind, and hydropower.

The HelloFresh Group had two active GHG emission reduction targets in 2025, and there is a process underway to update these targets for the future. The targets include:

- By 2025: Reduce Scope 1 and 2 carbon emissions in gCO_2e by 66% per euro of revenue from the company's meal-kit production facilities where the HelloFresh Group has operational control, from a 2019 baseline.
- By 2025: Reduce Scope 1 and 2 carbon emissions in gCO_2e by 30% per euro of revenue in the company's other businesses' production facilities where the HelloFresh Group has operational control, from a 2021 baseline.

The HelloFresh Group GHG emission targets are set on an intensity basis, using total Scope 1 and Scope 2 emissions (market-based) in gCO_2e as the numerator and total revenue in euros as the denominator. This intensity approach was chosen to account for the Group's rapid growth, the correlation between increased customer orders and higher energy consumption, and the expansion of product categories. This is reflected in the two baseline years: 2019 (when the HelloFresh Group had only meal-kit businesses) and 2021 (after the acquisition of Factor and other brands).

The targets cover Scope 1 and 2 emissions from electricity, natural gas, fuels, and refrigerant gas at facilities over which the Group has operational control. This boundary is not consistent with the Group's full GHG inventory, which also includes Scope 1 and 2 emissions from offices and the Group's own delivery fleet, as well as Scope 3 emissions. Specifically excluded from the target calculation are third-party operated facilities for GoodChop, The Pets Table, Factor Benelux, and Factor Nordics brands, our BeCool subsidiary, and third-party operated meal-kit facilities in Italy, Spain, Ireland, and Switzerland, as the Group does not have operational control over these sites. Please see the HelloFresh Group's Non-Financial report for more details.

Report Notes

This report describes various risk assessments that leverage different risk thresholds. The definition of materiality used in the company's double materiality assessment, as described in Risk Management (a), refers to double materiality as defined by the ESRS. This newly-completed Climate Risks and Opportunities Assessment identifies potentially relevant risks but does not evaluate materiality. This report does not align with the definition for Materiality associated with reporting to the U.S. Securities and Exchange Commission.

The scenarios defined in this report are not designed to forecast the future, but instead outline potential effects under different regulatory or climate conditions. Due to inherent uncertainty, scenario-based outcomes should not be considered projections, and actual risk profiles may differ significantly from those described. Results may differ significantly from the impacts listed here. The report includes forward-looking statements, which are made pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. Certain portions of the report use the words "expected", "anticipated", "will", “should”, "on track," "target," and "future"; these terms and similar expressions are intended to identify forward-looking statements.

The company’s identification, evaluation, and management of climate-related risks and opportunities continue to evolve with improvements in data collection and management, progress in the company’s strategic planning, and a changing external landscape.