

2 Sisters Food Group

Birmingham, England, UK

Food waste inventory – 1st January 2018 to 31st December 2018





1

About 2 Sisters Food Group

We are one of Britain's most compelling business success stories of the past 20 years. More than 20,000 colleagues drawn from 36 nationalities help to make some of the finest food in Britain - from pizzas to pies, from poultry to puddings, from ready meals to ranges of soup.

We started out from very humble beginnings in the early 1990s, and from there 2 Sisters has grown to become one of the leading food manufacturing companies in Europe, producing great quality, great value food.

We are one of the UK's biggest food companies. As well as being a private 'own label' food manufacturer for our customers, 2 Sisters Food Group is also famous for its brands: Holland's, Matthew Walker and Fox's Biscuits.

Every year, we make 30 million hot cross buns, 45 million pizzas and enough pies to stretch from Accrington to the North Pole if you put them end to end.

2 Sisters Food Group is proud to be a member of Friends of Champions 12.3, the companies and organisations that are leading progress to achieve the United Nations' Sustainable Development Goal Target 12.3 of reducing food waste by 50% by 2030.

In 2017 we made a commitment to reduce food waste in our own operations by 50% by 2030.







What we are doing to tackle food waste

Our commitment to reducing food waste and promoting sustainability is at the heart of our business.

We produce a wide range of different products, which means that food is wasted in manufacturing in a number of different ways.

For example, when simple products like biscuits get broken in production, we sell them in our factory shops or donate them to charities. But more complex products like ready meals can create waste throughout the production process, whether it is surplus ingredients because unexpected weather has reduced sales for certain products, or the creation of potato peels when preparing the ingredients. Each product requires its own strategy. We have been working hard to find innovative ways of reusing or preventing waste for each of them.

To coordinate our food reduction strategies, we set up a team of experts in Amber Foods, a subsidiary of our business that manages all of our waste centrally. They oversee the removal, recording and processing of all waste from our manufacturing sites, helping us to track it and find the best ways of redistributing or reducing it.

In 2017, Amber Foods completed a detailed review of our food waste management, to fully understand where our waste comes from and identify how best to tackle it. Since 2018, we have implemented changes throughout our organisation, working closely with sites to reduce the amount of waste that they produce. For example:

- Optimising production: We have made significant progress making simple but effective optimisations of our production process, minimising spillage, improving the efficiency of waste collection, and better predicting fluctuations in demand.
- Donating surplus to charity: Where we generate food waste that is still perfectly fit
 for human consumption, we work with food redistribution partners including
 FareShare and Company Shop, and charities in local communities, to ensure that
 food goes to people in need. We sent nearly 420 tonnes of surplus food to support
 these charities last year.
- Using as animal feed or biofuels: Where waste such as meat that is unsuitable for humans or waste from biscuit manufacturing is produced, it can sometimes be used as animal feed or to produce green energy. During 2018 we processed 10,656 tonnes of surplus food for animal feed and 4,438 tonnes for biofuels.





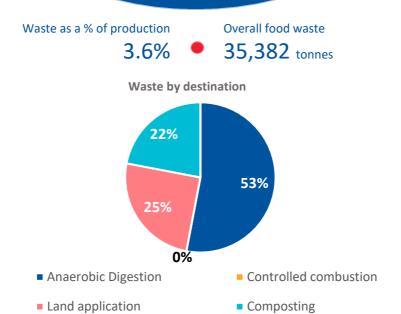


3

Total food produced

985,949

tonnes



Food waste data commentary

- We have published our food waste data across all 2 Sisters Food Group UK & Ireland processing sites, as of January 2019, excluding sites divested from the business during 2018. This covers the period January 1, 2018 to December 31, 2018.
- The end result of all the hard work done during 2018 has seen our total food waste figure reduce from 39,860 tonnes in 2017 to 35,382 tonnes in 2018, despite an increase in overall production in the same period.
- We had targeted a 5% reduction in food waste for the year, but achieved an
 extremely encouraging 13% reduction. Our long term aim is to achieve a 50%
 reduction in food waste before 2030.
- The data covers all food and associated inedible parts produced during manufacturing, including organic material from the processing of poultry, which has not been redistributed to our charity partners or Company Shop. Food waste in this inventory goes to; Anaerobic Digestion (53%), Composting (22%), Land Application (25%) and Controlled Combustion (~0%).

4