

Kepak

Clonee, Co. Meath, Ireland

Food waste inventory – 1st January to 31st December 2019





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About Kepak

Kepak is an Irish, family-owned food company with over 50 years of expertise in meat craft. We continue to lead the way in meat manufacturing with bespoke innovations and highly successful, international food brands.

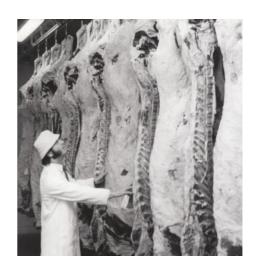
Founder Noel Keating opened the Keatings butcher shop in 1966. Since then, Kepak has grown significantly, maintaining the trust of our dedicated suppliers and customers to produce quality meats and great-tasting products.

Over 5,000 people work with us, delivering prime cuts of fresh and frozen meat, successful brands and on-trend food innovations to our valued clients and customers, across 43 countries.

Over 20,000 farms and farming families are supported by us through fair trade, knowledge transfer and sustainability initiatives that will safeguard our local environment long into the future. One such initiative is the Biodiversity Regeneration In a Dairying Environment (BRIDE) project in east Cork, which aims to improve wildlife on farmland.

Kepak has developed a group Sustainability programme called Kepak CORE which aims to consolidate and guide all sustainability initiatives across Kepak Group. Progress in delivering on our sustainability initiatives is monitored, measured and communicated internally and externally through this programme.

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





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What we are doing to tackle food waste

In 2017, we created a food waste benchmark to provide a baseline to measure against in our red meat Ireland business. This baseline taught us where our food waste hotspots were and helped us to set targets to measure against. In 2018, Kepak Group grew significantly with the acquisition of 2 Sisters UK Red Meat Business and since then we have been working to integrate the sites into our reporting.

Given the diverse nature of our processing activities, food waste initiatives vary between sites. We deliberately prepare different meats at different sites to reduce waste and risk of cross contamination, allowing us to redistribute as much food as possible that is fit for human consumption. Any meat that is unsuitable for human consumption and **not** high-risk is sent for processing into pet food. Also, in red meat, reducing our proportion that goes to Category 1 (inedible) has been a particular area of focus.

At our sites we try to minimise waste by identifying different streams, for example pet food or potential cooking substances. At almost all of our red meat sites, suitable leftovers from beef production are now used as an ingredient in pet food. We have also upgraded some of our sites so that left over animal fat can be turned into tallow, a solid substance a bit like suet that can be used in cooking.

We completed a detailed analysis on lamb meat to understand the overall percentage of edible meat coming in to our factories against the final output so that we could understand what proportion of food fit for human consumption is going to waste. By completing this measurement, it allows us to identify opportunities for improvement and a comparison between our sites.

In our sites which focus on packaging meat, e.g. burgers, rather than processing it, we have begun to implement processes to measure our food waste more effectively. This means we can better understand what parts of our processes create the highest level of waste so that we can start to reduce it. At these sites, key areas of focus are improving shelf life and ensuring products and ingredients coming from our suppliers fit our requirements, since shorter than required shelf life or incorrect weights or portion sizes can increase food waste.

In addition to working on minimising our own waste streams, we have set up all sites with Food Cloud in Ireland and FareShare in the UK with the aim of ensuring no food fit for human consumption goes to waste. To date we have donated the equivalent of 550,000 meals across the group and will continue to do so in the coming years.



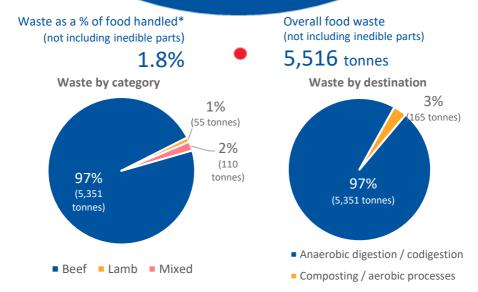


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Total food handled*

312,336

tonnes



Food waste data commentary

- Scope: We measured our food waste at sites in the UK and Ireland for the 2019 calendar year. Our beef, lamb and pork waste are recorded from our primary processing facilities and account for almost all our waste.
- Waste Data: Total food handled equalled 312,336 tonnes. Total food waste was 5,516 tonnes, which is equal to 1.8% of our food handled. The majority of this waste is sent to anaerobic digestion (97%), with the rest going for composting (3%).
- In 2018, we recorded 9,107 tonnes of food waste (2.5% of food handled) which means this year, we have achieved a
 28% reduction in food waste relative to our total food handled. This was delivered mainly due to our efforts to better
 segregate waste and surplus streams allowing for greater diversion into higher value streams such as pet food or
 biomaterial processing, reducing our overall waste figure.

· Where does our waste go?

As a natural consequence of the manufacturing process, there are some parts that for safety reasons cannot be used for human consumption. Wherever possible, we are looking to find other ways to ensure this waste goes to good use, for example by sending it for further processing for part as pet food.

- In addition to this, we send over 17,000 tonnes of inedible parts to a plant for the production of green electricity and
 the manufacture of biofuel. Even though this waste was never suitable for human consumption and doesn't
 contribute directly toward our waste figures, we are working on initiatives to reduce the proportion of this waste and
 potentially send it to pet food or other products.
- Where surplus presents a lower risk of contamination (Category 3), it can be used to produce a highly nutritional meal
 used in pet food and tallow that is used as a raw material for a wide range of household goods such as cosmetics and
 lubricants.

^{*} Note: to be consistent with industry best practice and the UK's Food Waste Reduction Roadmap, we've updated our terminology this year from "total food produced" to "total food handled" (which, as last year, includes food sold as intended as well as food waste and surplus). This is also reflected in our calculation of waste as a % of food handled.