



ALLIED BAKERIES

ENVIRONMENT POLICY

OUR COMMITMENT

Allied Bakeries Environment Policy has its foundations in the Associated British Foods plc (**ABF**) [Supplier Code of Conduct](#) and the [ABF Environment Policy](#).

The purpose of this Policy is to set out our commitments and goals in respect of greenhouse gas emissions reduction, energy and water management, food waste reduction and working towards a circular economy for packaging. We recognise that we need to play our role in order to adapt and mitigate the impacts of climate change, but in order to do this successfully, cooperation with others is essential to help secure a sustainable future.

As a minimum, we will comply with current applicable legislation in the countries in which we operate. We will implement management systems that will enable us to consider and document environmental risks within our own operations and wider supply chains. We will implement actions to address material risk, working in partnership with voluntary organisations and other stakeholders where it is necessary.

This Policy should be read in conjunction with our Responsible Sourcing Policy.

Our approach to good environmental stewardship is guided by the following

- ABF Supplier Code of Conduct
- ABF Environment Policy
- Courtauld Commitment 2030, of which Allied Bakeries is a signatory.
- The UK Plastics Pact, of which Allied Bakeries is a signatory.
- The UK's legislated goal of reaching Net Zero emissions by 2050
- Industry best practice recommendations including guidelines published by The Food and Drink Federation, IGD and WRAP.
- OECD Guidelines for Multinational Enterprises

PRIORITY FOCUS AREAS AND TARGETS

This Policy requires our business to act in pursuit of the specific targets outlined below as well as the UK Government commitment to achieve Net Zero by 2050. Specifically, we highlight the following areas of priority intervention in that context:

Greenhouse gas emissions. As a long-term signatory to the food sector wide Courtauld Commitment, we support the targets set under Courtauld 2030 to deliver a 50% absolute reduction in GHG emissions associated with food and drink consumed in the UK by 2030 against a 2015 baseline, aligned to a 1.5C pathway.

To this end, we will capture, verify, and report data relating to greenhouse gas emissions from our own operations (Scope 1 and 2) and we are working towards doing the same for our broader supply chain (Scope 3). We will report this data annually through our parent company Associated British Foods Plc (link to latest CR report).

Water. Allied Bakeries recognises the growing concern regarding the impact of water stress globally. Along with other signatories to the Courtauld Commitment, we will play our role in collectively

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working towards the goal of 50% of fresh food being sourced from areas with sustainable water management by 2050.

Water plays an important role in the production of bread and helps to ensure the quality and consistency of the loaves that we bake. All our bakeries are required to monitor our water use and ensure that they use water efficiently within their operations. In addition, most of the flour that we use is milled from wheat that is grown in the UK and relies mainly on rain irrigation. Our UK wheat meets the Red Tractor standard which requires that any water used on farm is optimized and sustainable.

Food waste. We support the “Target Measure Act” approach developed by two charities (Waste & Resources Action Programme (WRAP) and the IGD), in order to pursue strategies to deliver a 50% per capita reduction in food waste by 2030 against a UK 2007 baseline to minimise food waste within our operations and wider supply chain in pursuit of United Nations Sustainable Development Goal 12.3.

Working towards creating a circular economy for packaging. As a *UK Plastics Pact* member we will work collaboratively with state and civil society actors with the objective of promoting packaging circularity in pursuit of the Pact’s goals [[The UK Plastics Pact](#) | [WRAP](#)].

IMPLEMENTATION

With a complex and global supply chain Allied Bakeries recognises that we need to work in partnership with others, including our suppliers, the private sector, governments and civil society actors to implement our environmental commitments and achieve our goals. In that context, we will start work to:

- Capture, verify and report environmental data related to the direct operation of our supply chain.
- Encourage suppliers to adopt our values and targets as addressed above: supporting them with learning materials and best practice guidance where appropriate to encourage innovation and engagement.
- Prioritise areas for focus within our supply chain operations and, where possible, facilitate improvement and best practice using our influence and commercial leverage to support advocacy and engagement programmes.
- On a case-by-case basis, participate in sector wide industry groups and environmental initiatives.
- Seek to regularly engage with a cross section of stakeholders in pursuit of the implementation of this Policy including customers, suppliers, civil society organisations and government organisations and their representative bodies.

We will continue to identify material environmental risks within our supply chain and ensure these are captured in our Responsible Sourcing Policy.

POLICY GOVERNANCE

This Policy must be formally approved by the Managing Director of Allied Bakeries

Our Finance Director is accountable to the Board of Directors for ensuring business compliance to this policy.

An annual review of the implementation of this Policy shall be undertaken and presented to the Board, including:

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- The results of an annual environmental review considering all aspects of Allied Bakeries products and services (conducted by members of the ESG Steering Team, led by Nutrition & Health Development Manager)
- Any relevant learnings from our ongoing assessment and monitoring.
- An assessment of relevant environmental management data related to our own operations and an overview of all active suppliers.
- An assessment of any new information (such as information from third party organisations). pertaining to potential risks within the supply chain.
- Recommendations on additional areas of focus.

Signed: 

Name: Sarah Arrowsmith

Date: 19 December 2024

Signed: 

Name: Graeme Burnett

Date: 19 December 2024