

# Carbon Reduction Plan

Publication Date: April 2024



*Making a real difference*



## Commitment to achieving Net Zero

apetito Limited is committed to achieving Net Zero emissions by 2040.

### Baseline Emissions Footprint

Baseline emissions are a record of the greenhouse gases that have been produced in the past and were produced prior to the introduction of any strategies to reduce emissions. Baseline emissions are the reference point against which emissions reduction can be measured.

Baseline Year: 1 <sup>st</sup> January 2020 – 31 <sup>st</sup> December 2020		
Emissions	Total (tCO <sub>2</sub> e)	
Scope 1	<b>10,115</b>	
Scope 2	<b>4,456</b>	
Scope 3	1. Purchased Goods and Services	<b>116,688</b>
	2. Capital Goods	<b>1,565</b>
	3. Fuel and Energy Related Activities	<b>3,010</b>
	4. Upstream Transportation & Distribution	<b>1,560</b>
	5. Waste Generated in Operations	<b>78</b>
	6. Business Travel	<b>80</b>
	7. Employee Commuting	<b>824</b>
	9. Downstream Transportation and Distribution	<b>3,280</b>
	12. End-of-life treatment of sold products	<b>5,926</b>
	13. Downstream Leased Assets	<b>910</b>
14. Franchises	<b>417</b>	
Total Emissions	<b>148,909</b>	

### Current Emissions Reporting

Current Period: 1 <sup>st</sup> January 2023 – 31 <sup>st</sup> December 2023		
Emissions	Total (tCO <sub>2</sub> e)	
Scope 1	<b>9,284</b>	
Scope 2	<b>3,884</b>	
Scope 3	1. Purchased Goods and Services	<b>108,324</b>
	2. Capital Goods	<b>2,287</b>
	3. Fuel and Energy Related Activities	<b>3,240</b>
	4. Upstream Transportation & Distribution	<b>1,673</b>
	5. Waste Generated in Operations	<b>76</b>
	6. Business Travel	<b>552</b>
	7. Employee Commuting	<b>1,393</b>
	9. Downstream Transportation and Distribution	<b>3,432</b>

	12. End-of-life treatment of sold products	<b>6,533</b>
	13. Downstream Leased Assets	<b>607</b>
	14. Franchises	<b>384</b>
<b>Total Emissions</b>	<b>141,669</b>	

### Emissions Reduction Targets

In 2021 we publicly set out our clear carbon commitment to reach Net Zero in Scope 1, 2 and 3 emissions by 2040. Our targets were independently validated and approved by the Science Based Targets initiative and aligned with the key objective of maintaining global warming well below +1.5 degrees.

By setting our three-stage carbon commitment in 2021 we focused on taking action now; being held accountable for our actions and not making claims without a commitment to act. Our carbon commitment looked to:

- By 2025 – to deliver clear and immediate progress with challenging interim targets
- By 2035 – to deliver substantial decarbonisation meeting our Science Based Target
- By 2040 – to achieve Net Zero carbon emissions

Due to updated Science Based Targets Initiative (SBTi) guidance, we are in the process of recalculating our carbon emissions and re-establishing our targets to align to the new SBTi Scope 3 Forest Land and Agriculture (FLAG) emissions reduction target which addresses emissions from deforestation as well as fertilisers and methane from livestock.

Our commitment to sustainability, ambition to reach Net Zero by 2040, and work in taking concrete action to meeting our short-term targets for carbon reduction culminated in us recently receiving the King’s Award for Enterprise: Sustainable Development 2024.

### Carbon Reduction Projects

To ensure we reach our carbon reduction targets we are running to ISO 14001 environmental management standard. Alongside this we have over 60 projects underway across the business to help reduce our emissions. To manage these projects our work is split into 6 mitigation pathways.

### Ingredients

Ingredients make up two-thirds of our carbon footprint, it is therefore key that we work with our suppliers and farmers to drive reduction in their carbon footprints. We are therefore continually looking for suppliers who are leading the way in sustainability. Two examples of suppliers like this can be seen below.

Supplier 1 – Our beef and lamb supplier are the first of its kind in Europe to have an approved science-based target. They are committed to reducing operational emissions by 30% before 2030; to date they have reduced emissions by 248,000 tonnes of CO<sub>2</sub>e, saving 189,000 tonnes of CO<sub>2</sub>e in its agricultural emissions alone, while ensuring their livestock is sourced from Red Tractor and Bord Bia assured farms. They have invested 1 million Euros annually in on-farm sustainability projects while working in partnership with other organisations to reduce the environmental impact of the whole sector and participate in Bord Bia's Sustainable Beef and Lamb Assurance scheme.

Supplier 2 – Have a carbon neutral processing and packing facility for pea processing. Any food waste that is produced during the processing of their peas, normally around 18%, is turned into biogas, using their on-

site anaerobic digester ensuring all electricity used on-site is generated from 100% green energy. This avoids the emission of 1,000 tonnes of CO<sub>2</sub>e per year. In addition, as the biogas facility converts on-site food waste into energy, it also avoids the transportation of waste to external processing facilities, saving another 54 tonnes of CO<sub>2</sub>e. In the long term, the business is working with its farmers to produce a carbon-neutral pea, so it can be processed in a carbon-neutral factory and delivered through carbon-neutral logistics.

These examples demonstrate how we look to build long-term supplier partnerships with those looking to reduce the overall carbon footprint of our ingredients.

## Recipes

The meals our customers order is a key factor in reducing our carbon footprint. Red meat represents 50% of the carbon footprint of our ingredients, and this has traditionally been a staple of customer orders and menus. We are therefore focusing on collaborating with customers to look at the impact of their menu choice on the environment to try and influence change.

In 2021 we launched the first reduced carbon menus into the NHS, designed to enable hospital caterers to reduce their emission associated with mealtimes. The reduced carbon menus have been achieved without compromise to quality, cost, or nutrition' by prioritising white meat, fish, and vegan options, without "demonising" any one ingredient.

Since launching, our reduced carbon menus are now operating in multiple hospitals all across the UK, and we have achieved a 10% carbon reduction across all our main meals served into the healthcare sector. We have now extended the reduced carbon menu concept into the care home and education sectors.

## Cooking/Manufacturing

Food Waste – We are committed to minimising food waste in our operations. That is why in 2019, we signed the Step Up to The Plate pledge: a ground-breaking initiative to drive down food waste, following a call to action from the UK Government. Alongside this, as signatories to the Courtauld Commitment, we are committed to halving food waste by 2030.

To support this, since 2009 we have been sending all our food waste anaerobic digestion. This takes the waste and converts it to an agricultural soil improver and biogas which is used to generate electricity for the grid.

To enhance this commitment, in 2024 we committed that any wasted food that remained fit for human consumption would no longer go to anaerobic digestion. We therefore established a partnership with FareShare the UK's biggest food distribution charity, working to fight hunger and tackle food waste by providing nearly 1 million meals each week. Since beginning this partnership, we have supported over 600 different charities, including those working with people experiencing homelessness, supporting asylum seekers and refugees, working with children and young people and supporting older community groups.

Equipment Investment – We have recently invested £6.5 million into cutting-edge technology in our production kitchen, which enhances our production capacity whilst reducing our environmental impact. The mobilisation of state-of-the-art cooking pots are revolutionising our cooking process, offering faster cooking times, increasing capacity by 28%, while reducing energy demand by 35%.

We have also invested in a 'Cook, Quench, Chill' system, which ensures that nutritional value and taste of our meals is optimised throughout the production process through providing exceptional facilities for

vegetable and pasta cooking and blanching. Introducing this new technology has increased our capacity by 58% while helping us to save an estimated 52 tonnes CO<sub>2</sub>e.

We have also invested in new boiler technology to increase efficiency and reduce carbon footprint. This new boiler has improved our steam efficiency, increasing it from 79% to 95%. Overall, this means our new boiler has helped us save an estimated 348 tonnes of CO<sub>2</sub>e, a near 20% improvement in carbon emissions compared to the previous system.

## Packaging

Improving the sustainability of our packaging is of critical importance to us at apetito and we have been continually working to eliminate any unnecessary packaging to ensure our wastage and environmental impact is limited.

In 2018 we pledged a commitment to the UK Plastics Pact with the aim of eliminating problematic or unnecessary single-use plastic packaging, ensuring 100% of plastic packaging is reusable, recyclable, or compostable, ensuring 70% of plastic packaging is effectively recycled or composed and having an average 30% recycled content across all plastic packaging.

In the UK, only one third of ready meal trays are recycled, this is why in 2021, we took our dedication to sustainable packaging a step further, introducing the world's first industrial scale closed loop recycling system for ready meal trays. The meal trays that are part of this scheme are made of up to 80% recycled content and are 100% recyclable. A Peer-reviewed Life Cycle Analysis of this tray showed that it delivered a 55% climate change improvement based on our previous tray, saving us around 850 tonnes of CO<sub>2</sub>e each year.

Our world's first industrial scale closed loop recycling system operates through us collecting back our clean used meal trays from our customers, from here they are taken to a recycling facility in the UK and recycled into brand new meal trays which are sent back to our production facility ready to be used for the next round of meals. Since launching this scheme, we have recycled over 25 million trays. Project "Boomerang" currently operates across our direct to customer business Wiltshire Farm Foods and in our B2B healthcare market. Through hospitals returning their individual portion meal trays, the average hospital can save an estimated 735kg CO<sub>2</sub>e per year.

Aside from Project Boomerang we have worked hard to reduce unnecessary packaging. We have never used cardboard sleeves around our meals, the cardboard boxes used during our D2C deliveries are reused multiple times before ultimately being recycled and our B2B deliveries are made using a crates system.

## Distribution

We are working hard to reduce the carbon footprint of our distribution by over 2,000 tonnes of CO<sub>2</sub>e by 2025.

Since 2021 we have been introducing electric vehicles into our Wiltshire Farm Foods (WFF) fleet, having developed a vehicle that can provide adequate range and power a freezer. We currently have committed a spend of over £14m over the next 6 years to transition 75% of the entire WFF fleet to electric.

At present transitioning to an electric vehicle in our main HGV fleet is not possible due to range and battery capacity not making it viable for our frozen solution. However, we are continually monitoring the options available to us on the market.

We have however been looking at other initiatives. We have installed Carrier Eco Drive units on our distribution fleet which is fitted to the tractor unit engine power take off and converts power generated from the engine when running. We have also installed a Vortex Generator system, wind deflector spoilers and the Solomons full slipstream system which help to increase fuel economy.

## Support

We are working to encourage long-term change that helps with a transition towards a more sustainable society. We are transitioning our company car fleet to electric vehicles, saving over 100 tonnes of CO<sub>2</sub>e per year. To help with this transition and encourage our other staff to transition to electric vehicles this year we have trebled the number of electric vehicles charging points at our head office car park and installed charging points at our depots across the country.

## Declaration and Sign Off

This Carbon Reduction Plan has been completed in accordance with PPN 06/21 and associated guidance and reporting standard for Carbon Reduction Plans.

Emissions have been reported and recorded in accordance with the published reporting standard for Carbon Reduction Plans and the GHG Reporting Protocol corporate standard and uses the appropriate Government emission conversion factors for greenhouse gas company reporting.

Scope 1 and Scope 2 emissions have been reported in accordance with SECR requirements, and the required subset of Scope 3 emissions have been reported in accordance with the published reporting standard for Carbon Reduction Plans and the Corporate Value Chain (Scope 3) Standard.

This Carbon Reduction Plan has been reviewed and signed off by the board of directors (or equivalent management body).

Apetito authorised signature:



Print name and date:

LEE SHEPPARD  
DIRECTOR OF CORPORATE AFFAIRS, POLICY AND SUSTAINABILITY

April 2024