



FOR GOOD

A thick, yellow, upward-curving arc positioned below the word 'GOOD', resembling a smile.

Our
Planet
Report

2023

CONTENTS



3

4 - 5

6

7 - 10

12

13

14 - 16

17

18 - 19

20

PROGRESS AGAINST TARGETS

		BEHIND	ON TRACK	AHEAD
SBTI	Scope 1&2: absolute reduction 46% by 2030 from 2019 baseline			✓
	Scope 3: absolute reduction from 28% by 2030 from 2019 baseline			✓
NET ZERO	Net Zero by 2040		✓	
2025 WATER AMBITION	By 2025 all business signatories are monitoring water use in their own operations and have improved efficiency.		✓	
	By 2025 all business signatories are participating in collective action to improve the quality and availability of water in key sourcing areas.		✓	
WATER ROADMAP	50% of fresh food is sourced from areas with sustainable water management		✓	
PLASTICS PACT 2025	Eliminate problematic or unnecessary single-use packaging through redesign, innovation or alternative (reuse) delivery model		✓	
	100% of plastics packaging to be reusable, recyclable, or compostable		✓	
	70% of plastics packaging effectively recycled or composted		✓	
	30% average recycled content across all plastic packaging		✓	
CHAMPIONS 12.3	50% reduction in food waste by 2030			✓

OUR APPROACH AND DATA COLLECTION

Food production has an inevitable environmental footprint. As a business who helps to feed millions of people every week, we recognise ours has the potential to be significant. Therefore, we measure our impact and strive to manage and reduce it by using science and data.

Climate change is a real issue with direct impact on food production and our broader way of life. We have an extensive supply chain and understand the key role we have to play in mitigating climate change and are committed to reducing our environmental footprint.

While our initial focus has been on mitigating our environmental impact, we are already seeing the impact of climate change and its consequences for our business. Alongside our mitigation efforts, we are beginning to establish climate adaption plans, which will help ensure the sustainability of our business and the supply of food for the nation.

OUR APPROACH

We have divided 'Our Planet' objectives into five key pillars: energy, water, waste, plastics and biodiversity. Overarching these is our commitment to reduce our carbon footprint and underpinning them are Key Performance Indicators (KPI's), which we use to track progress, and Environmental Compliance.



DATA COLLECTION

- Scope 1&2 emissions (calendar year and financial year) are verified to ISO 14064-3:2019.
- Scope 3 emissions are 71% activity based which we are working year on year to increase.
- We are the only poultry business involved in the Mondra pilot which is linked with BRC and retail customers.
- Mitigation and adaptation of climate change- Task Force on Climate-Related Financial Disclosures (TCFD)

FLAG SBTi's will be submitted by December 2024.

GOVERNANCE

Good governance underpins our Sustainability Strategy and For Good Agenda: ensuring that we are delivering against our commitments, mitigating risks, and providing trust and reassurance to our key stakeholders; colleagues, shareholders, customers, consumers, suppliers, and financial institutions.

We have implemented a clear structure of control that highlights concerns at the right level, prioritises work, and aligns resources all underpinned on good data visible to the right business leaders in real time.

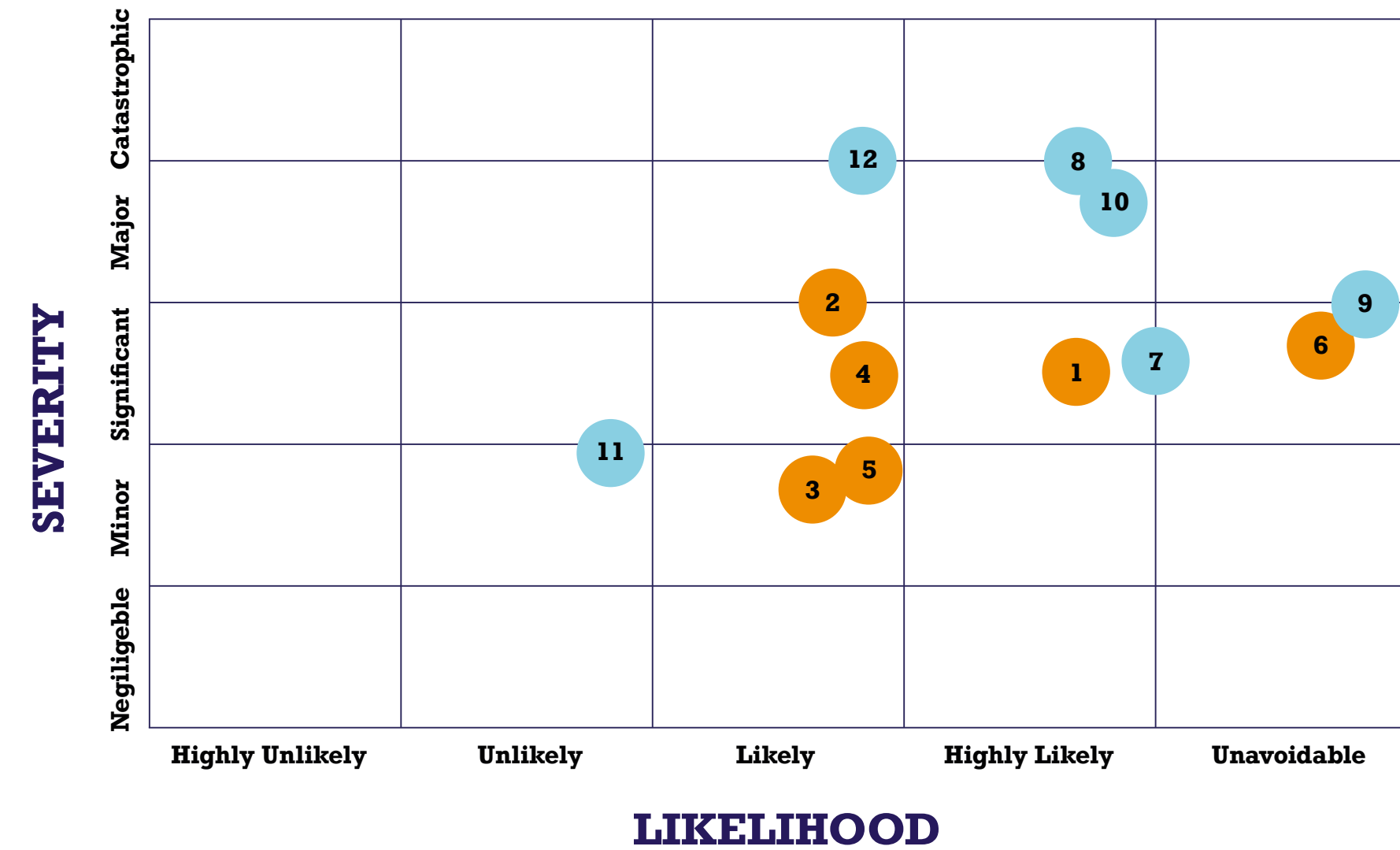


STRATEGY

We have reviewed climate-related risks and opportunities to determine their likelihood and severity, against three timelines: short, medium and long term. This process has enabled us to determine priorities and necessary actions, to adequately mitigate the impact of our supply chain and adapt to climate change that is already occurring.

RISK AND OPPORTUNITIES

- 1 Increasing carbon prices and taxation
- 2 Rising prices due to the lack of availability of commodities (i.e. soy)
- 3 Increasing regulation and legislation surrounding manufacturing operations and supply chains
- 4 Increasing requirements for renewable usage
- 5 Consumer Demand – shifting dietary trends, reputational risk
- 6 Media and NGO pressure
- 7 Increasing water stress levels
- 8 Increased temperature
- 9 Increased risk of bird diseases
- 10 Increase in extreme weather events
- 11 Rising sea level
- 12 Deforestation within the supply chain



LIKELIHOOD					SEVERITY				
Highly Unlikely	Unlikely	Likely	Highly Likely	Unavoidable/ currently happening	Negligible/ none	Minor	Significant	Major	Catastrophic
Happens once every 10 years	Happens every 3 - 10 years	Happens every 1 - 3 years	Annually	Daily	No/negligible effect on the organisation	Minor effect on the organisation, no long term effects (>1 week)	Potentially significant effect on the organisation, short term major issue – (>1 week)	Major effect on the organisation, long term major issue	Catastrophic effect on the organisation, on-going major issue

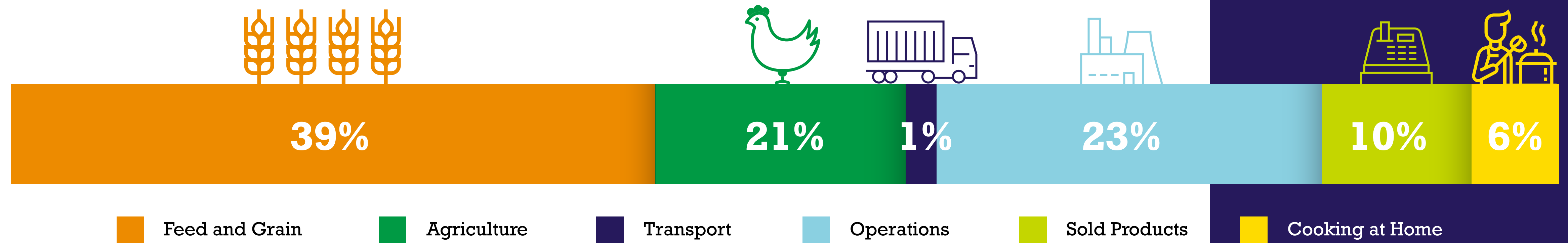
RISK MANAGEMENT

We manage environmental risks through our environmental management systems, ISO14001 and 50001. Climate risks are included in the Aspect and Impacts Register of our environmental management system and are reviewed at least annually by managers at every level in the group, from site, through Business Unit to board level. Our ISO frameworks enable adaptation measures to be costed, planned and incorporated into Avara’s strategy.

We are implementing the ISO14090:2019 standard (in conjunction with our ISO14001 framework) to create an adaptation plan by setting objectives, targets, actions, responsibilities, and timescales for implementing the control measures. We are in the process of identifying indicators to monitor and evaluate the effectiveness of our plan.

CARBON FOOTPRINT

Everything we do has a carbon footprint and understanding the amount and nature of carbon emissions associated with the different aspect of our supply chain is critical to achieving our targets.



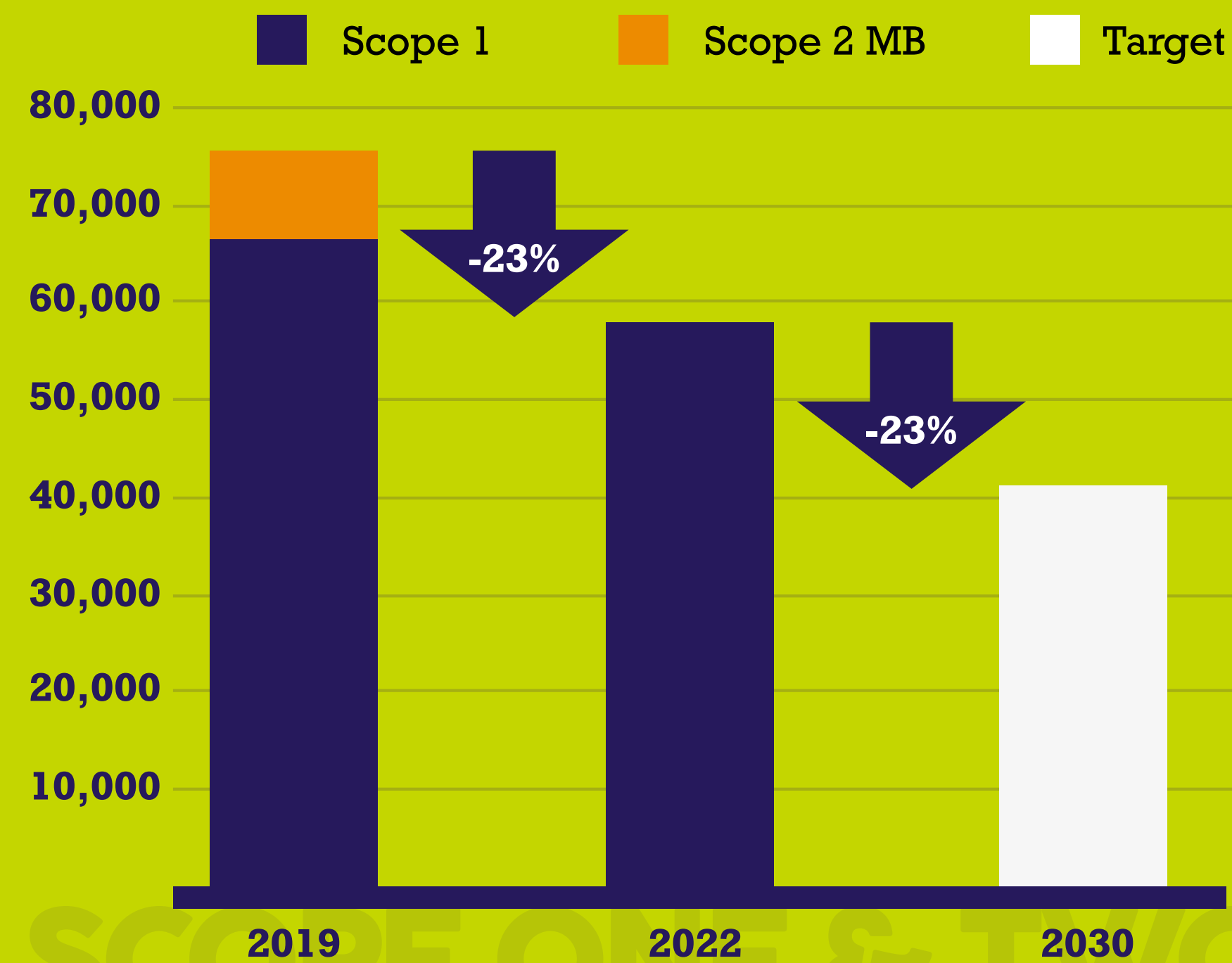
SCOPE ONE & TWO FOOTPRINT

Our Scope 1 and 2 carbon footprint comes from direct operations, which includes the energy consumption of our buildings, processes, and vehicles. As such, it is an area that we manage and monitor closely. To improve the monitoring of data we have streamlined the collection of site level data to make the process less time consuming, improve visibility and facilitate decision making. This will directly support ISO50001; a management tool instrumental in our continued efforts to drive down carbon emissions.

SCOPE ONE & TWO REDUCTION

Since 2019 we have reduced our Scope 1 and 2 Market-based (MB) Footprint by 23%. To achieve our SBTi we will need to reduce our emissions by approximately 4% YOY. When mapping our Scope 1&2 emissions against our Science-based targets, we are currently on track to achieve our reduction target of 46% against a 2019 baseline.

SCOPE ONE & TWO



Below are some of the initiatives which have reduced our GHG emissions since 2019.



ZERO CARBON ELECTRICITY

From 2019 - 2022 we have reduced our footprint (Scope 2 market based) 100% by purchasing zero carbon electricity across all sites.

Zero carbon electricity: zero carbon means that no carbon emissions are being produced from a product or service, in this case the creation of electricity.



COMPANY CAR POLICY

We have had a company car policy in place since 2020, which aims to remove all diesel and petrol cars – As of 2022, 72% of our company cars are hybrid or electric, which has increased from 29% in 2021.



LOW CARBON ALTERNATIVES

Reviewing key utilities and fuels to explore renewable and lower carbon alternatives. Specifically looking at Refrigerants and Natural Gas.

SCOPE THREE FOOTPRINT

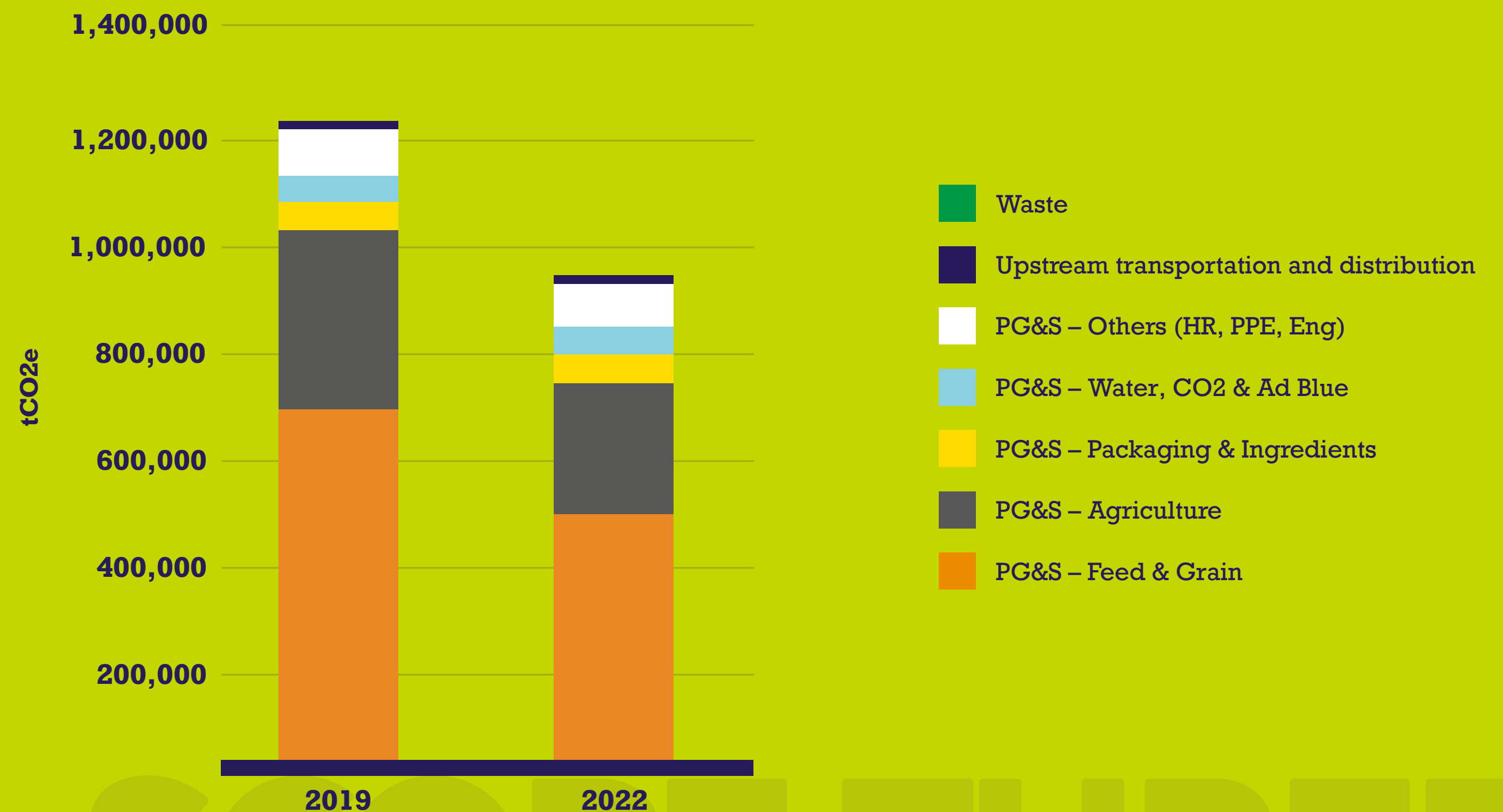
Our Scope 3 emissions are the emissions associated with our business which are outside our control. The standardisation and methodologies for calculating these emissions are currently in development within the industry. To contribute to the development of Scope 3 emission reporting, we are a one of 15 Courtauld 2030 signatories taking part in WRAP’s pilot study to test protocols to accelerate progress on Scope 3 accounting across the food and drink sector.

As we work on reduction strategies, we are also working to improve our data accuracy to account for emission reductions. To contribute to this, as of 2022, 71% of our Scope 3 SBTi footprint is now calculated using activity or average data, rather than spend based methodologies. This is a significant increase in comparison to 2019 where only 8% of data was sourced in this way, representing a major step forward. We are continually working to improve the quality of our emissions data and the progress so far has only been possible through close partnership with our suppliers.

SCOPE THREE REDUCTION

Since 2019 we have reduced our Scope 3 footprint by 24%. In order to achieve our SBTi we need to reduce our emissions by approximately 2.5% YOY. When mapping our Scope 3 emissions against our SBTi’s, we are currently on track to achieve our reduction target of 28% against a 2019 baseline.

SBTI EMISSIONS



SCOPE THREE

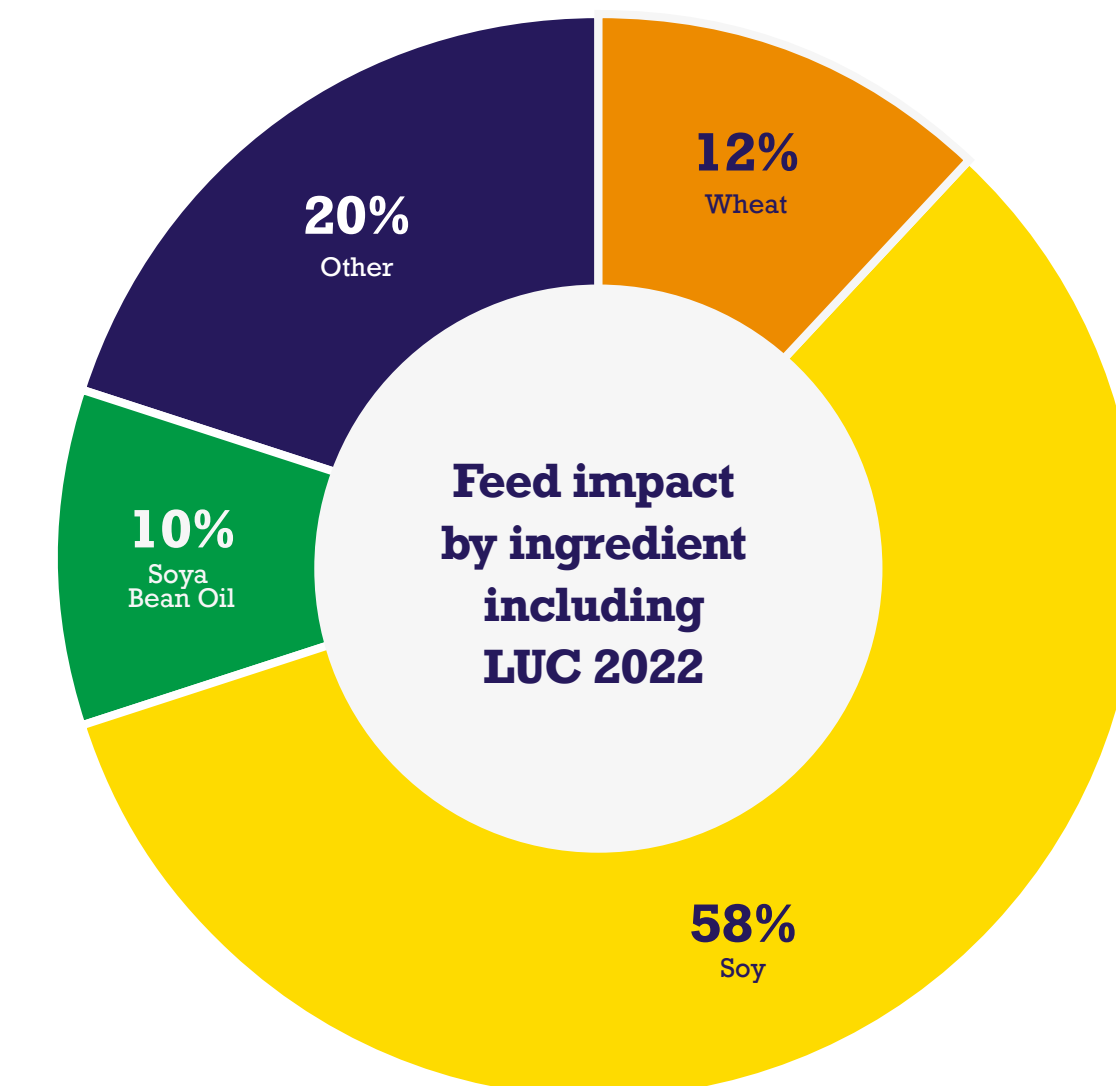
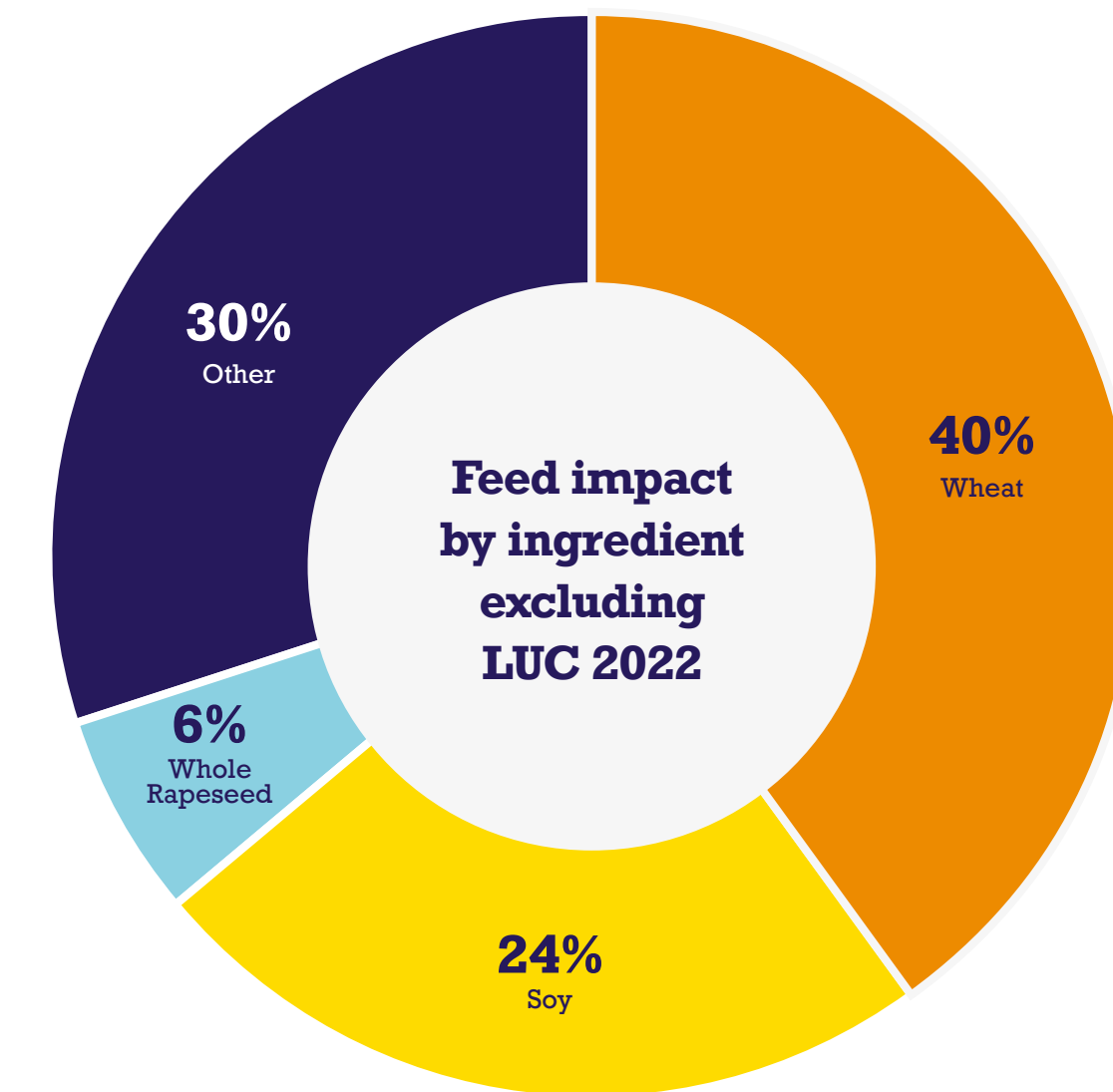
DRIVING DOWN AGRICULTURAL HOTSPOTS

We have identified agriculture as an emissions hotspot area to focus on. As we have a large contract grower base, with their support, we have worked collaboratively to improve our data quality on farms. We are completing individual annual farm carbon footprints and are working closely with Eggbase to calculate this data. For 2021 data, we completed this for 30% of our chicken farming base and have increased this further to 60% for 2022. This is a step forward building towards our 2025 target, which is to have carbon footprint reporting in place for every farm in our supply chain.

In November 2022, we transitioned to our new turkey model which is allowing us to better utilise space by growing stags and hens on the same sites, and thereby increasing the output from our farms. By doing so, this is contributing to increased efficiency with improved performance, and has reduced the distance between our farms and processing site.

As feed and grain are a significant contributors to our footprint, we have undertaken 50% and 100% soy reduction trials with alternative proteins, whilst assessing the impact on footprint, welfare and performance. Alongside this, our FCR improved by 1.3% from 2021 to 2022, thereby improving our performance and reducing the contribution of feed to our carbon footprint.

We have included the carbon footprint by ingredient, based on LCA data for our feed formulations for 2022. When we incorporate FLAG requirements into our methodologies going forward next year, we will also calculate our feed impact including land use change (LUC).



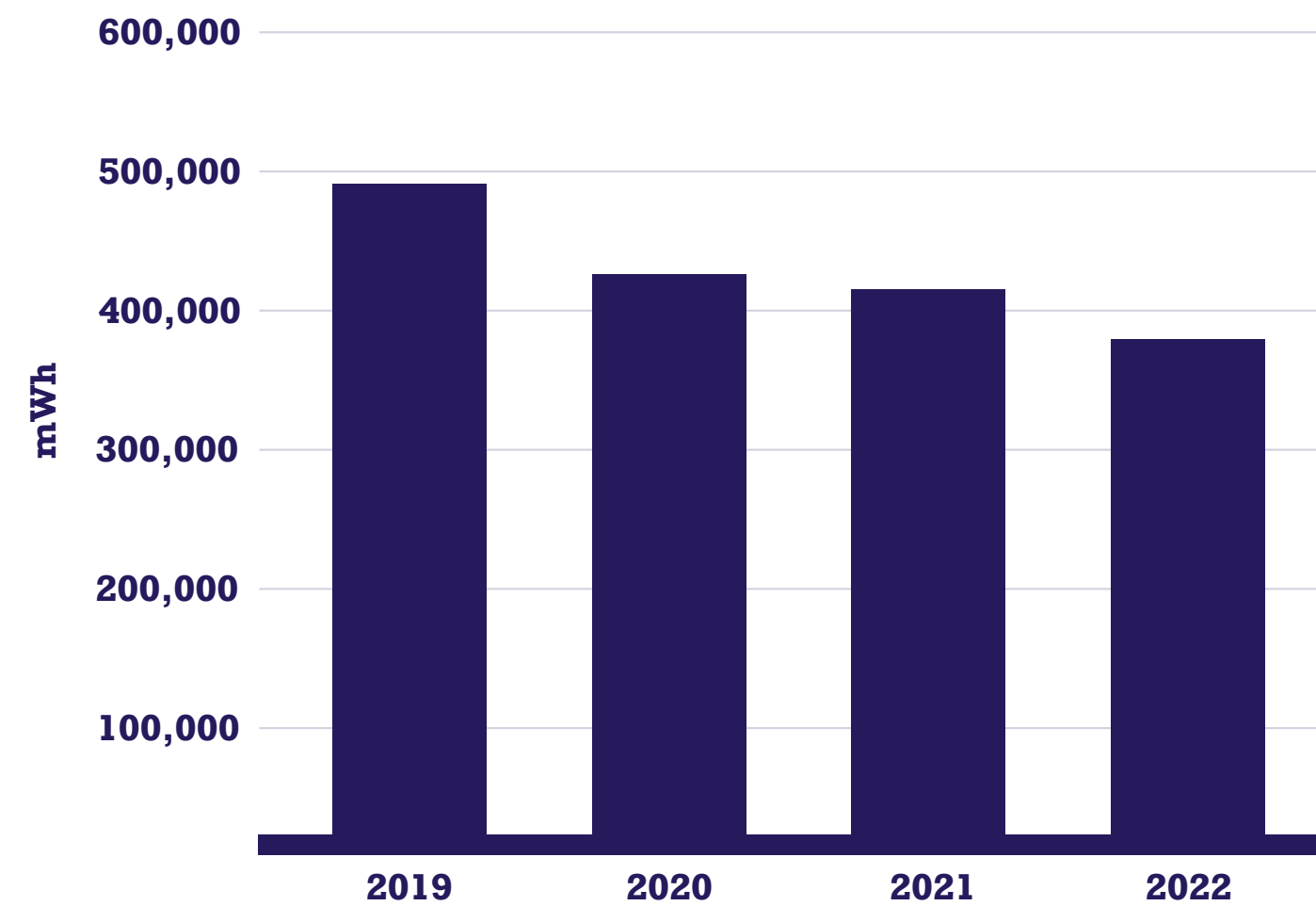
ENERGY

Our energy consumption is monitored closely both at site and at group level. We have mature ISO50001 and 14001 systems in place across most of our processing sites and mills, and plan to extend this further throughout our operations. 70.9% of total energy consumption in 2022 is covered by ISO50001.

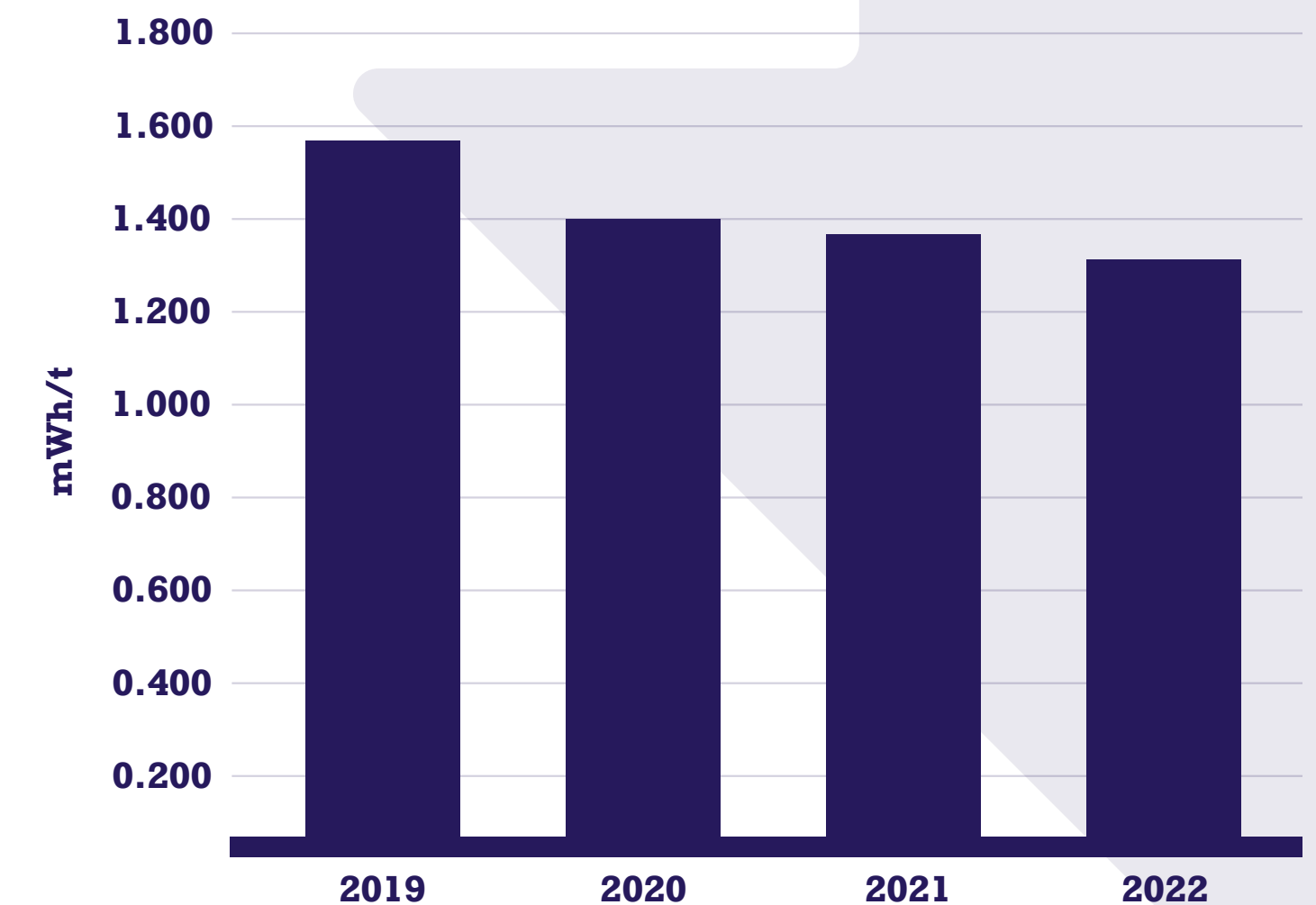
Since 2019 we have reduced our energy consumption by 25% by continuing to drive improvements in energy efficiency.

25%
REDUCED ENERGY
CONSUMPTION
SINCE 2019

YOY Comparison



Energy efficiency





WATER

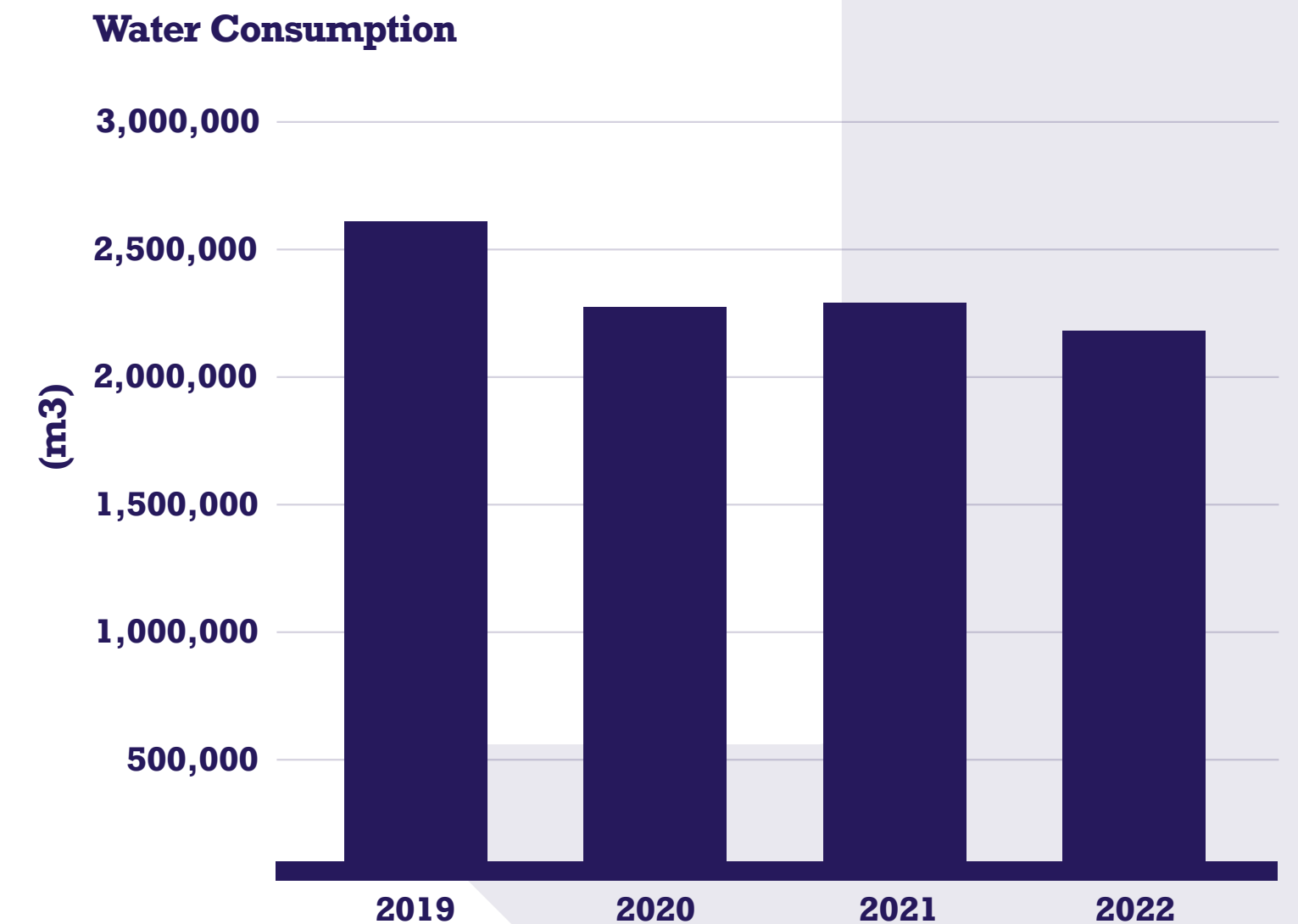
We have been continuing to focus on collating all the water consumption data from our larger sites; our factories, mills and hatcheries. We are exploring ways to expand this data collation to include our farms and wider supply chain.

Our ISO14001 environmental management system provides a framework for individual sites to track, manage and reduce water consumption. We expect it to improve process efficiency as well as highlight opportunities for reuse and recycling. Since 2019, we've successfully reduced our water consumption by 15%.

As Courtauld signatories, we are committed to the 2025 Water ambition. This involves monitoring usage in our operations, improving efficiencies and taking collective actions to improve water quality and the availability of water in the aquatic environments around us.

We also support the Water Roadmap; taking actions to become good water stewards and following WWF's water stewardship framework steps. The initiative aims to achieve an overall improvement in water, with sustainable water management systems in place by 2030 for half of the areas within the UK which produce fresh food.

We are also looking at ways to measure the water impact of our whole supply chain and identifying water risk hotspots.



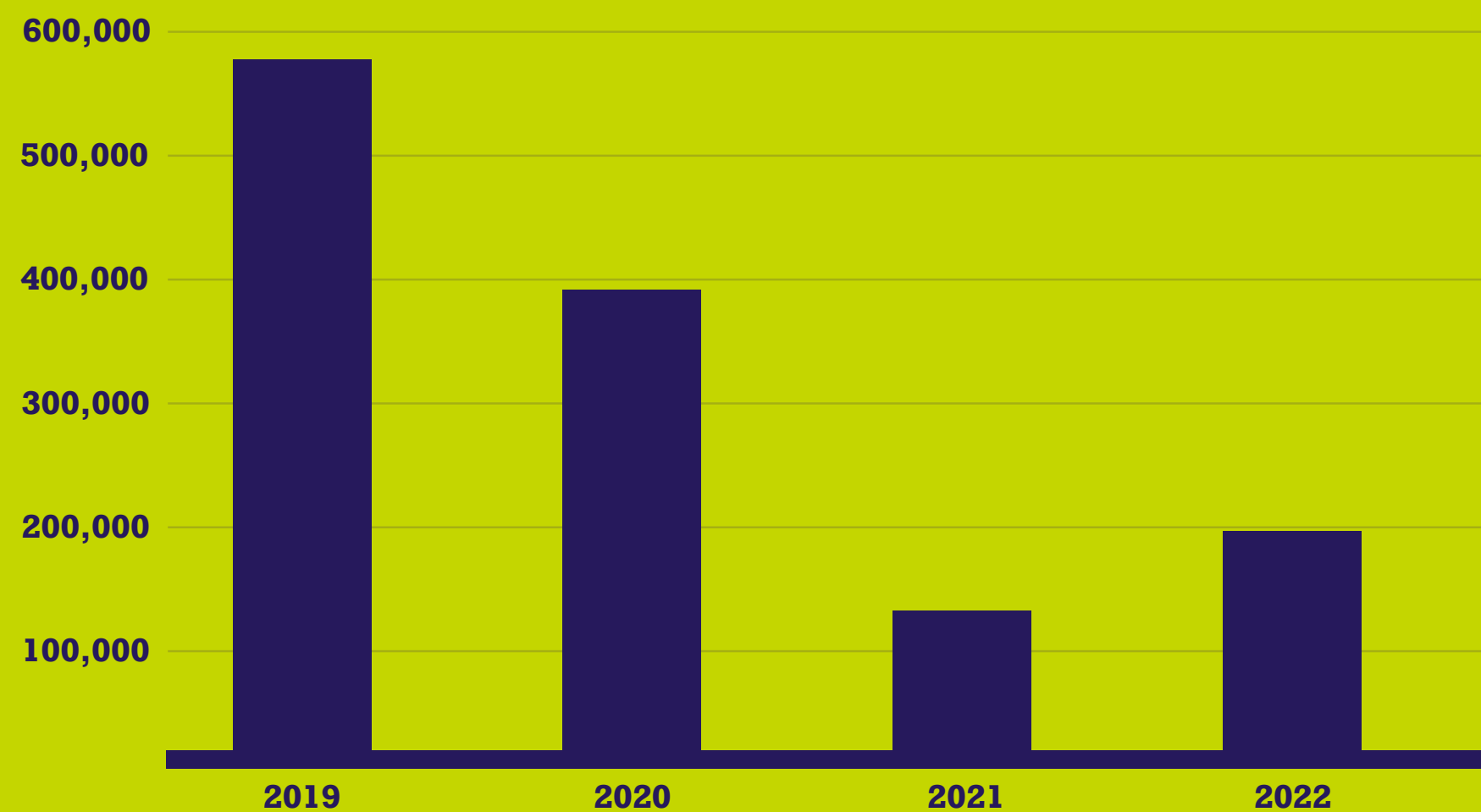
15%
REDUCED WATER
CONSUMPTION
SINCE 2019

WASTE

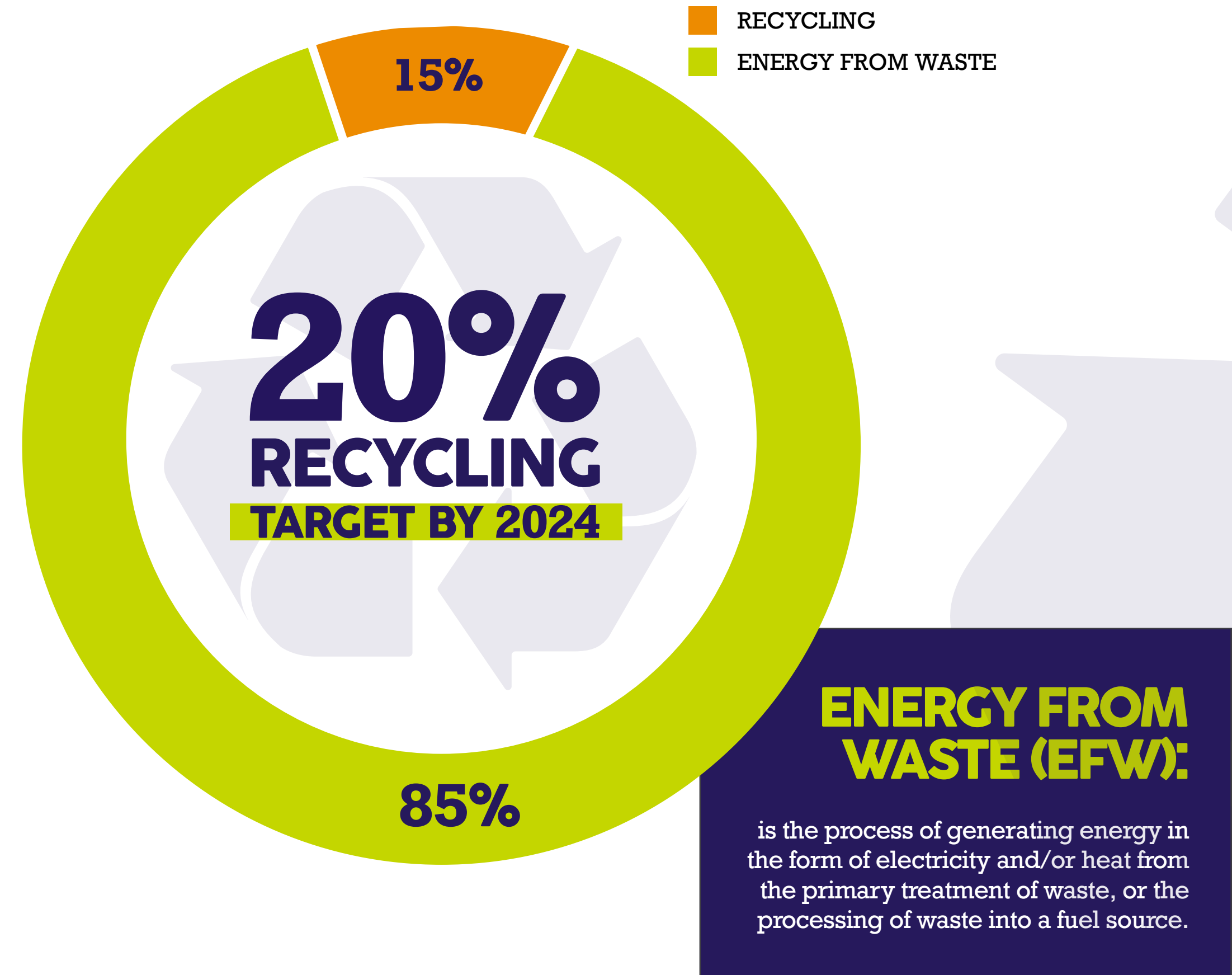
Waste in this section refers to general waste and recycling disposed of at Avara sites. Waste can be defined as any substance or material that no longer has a use or purpose and needs to be discarded.

Since 2019 we have reduced the emissions (tCO₂e) associated with the disposal of waste in our food processing operations by 66%. This is due to switching to a zero waste to landfill contract in 2020. This contract means our waste is now sent for energy recovery rather than landfill.

tCO₂e associated with waste disposal



The data obtained has given us an insight to set targets, reduce the total amount of waste produced, increase recycling rates, and encourage circular economies.

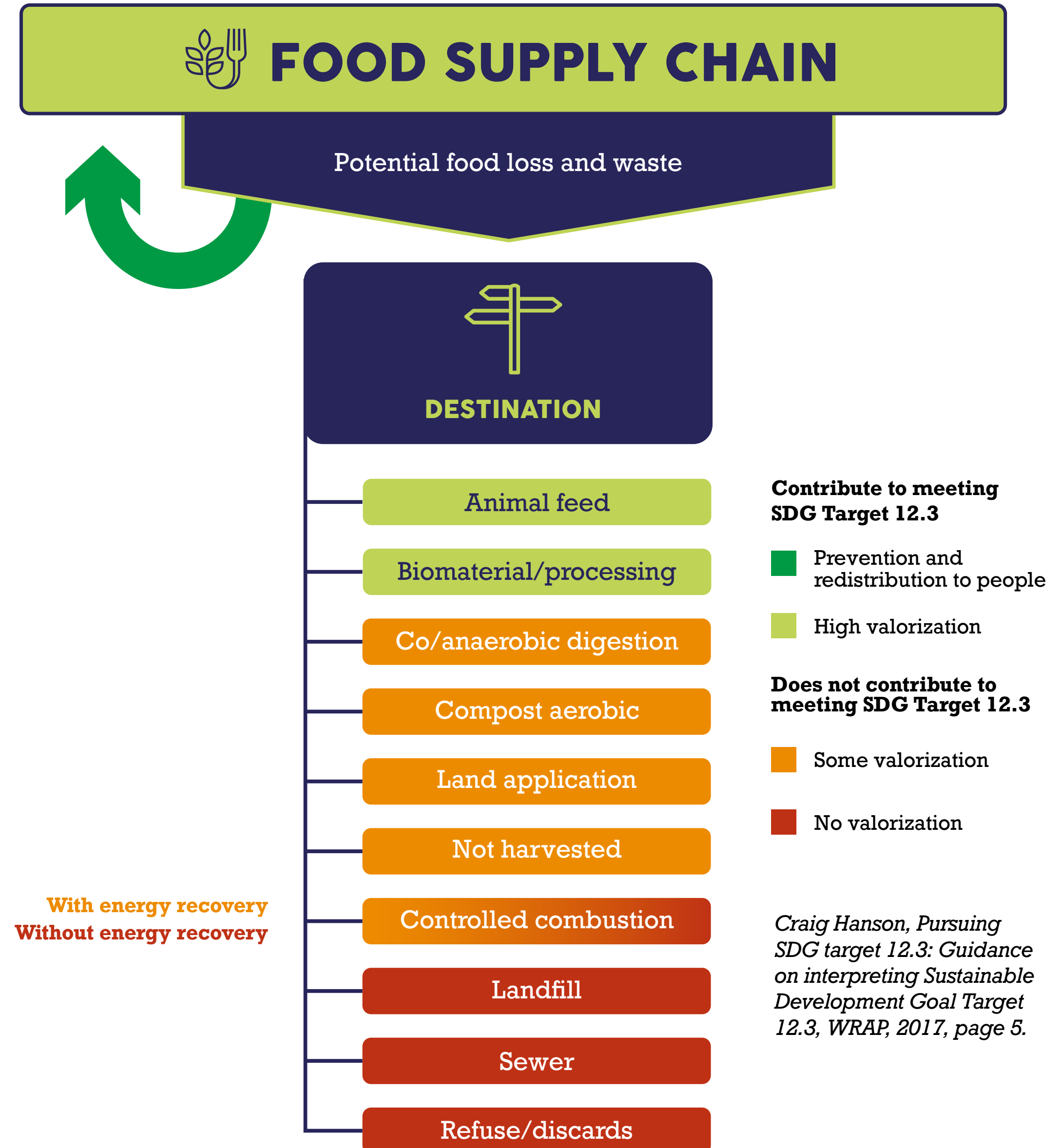


We have recently started working closer with our internal waste champions on two priorities, to help reduce our total waste and emissions footprint: by encouraging colleagues to recycle more effectively, and to reduce the total volume of waste quantities produced by our farms and factories. On a site level we have improved the visibility of data, closely monitored key performance indicators (KPI's) and improved infrastructure to segregate waste effectively. However, a large part of these improvements will come as a result of employee engagement and behaviour changes.

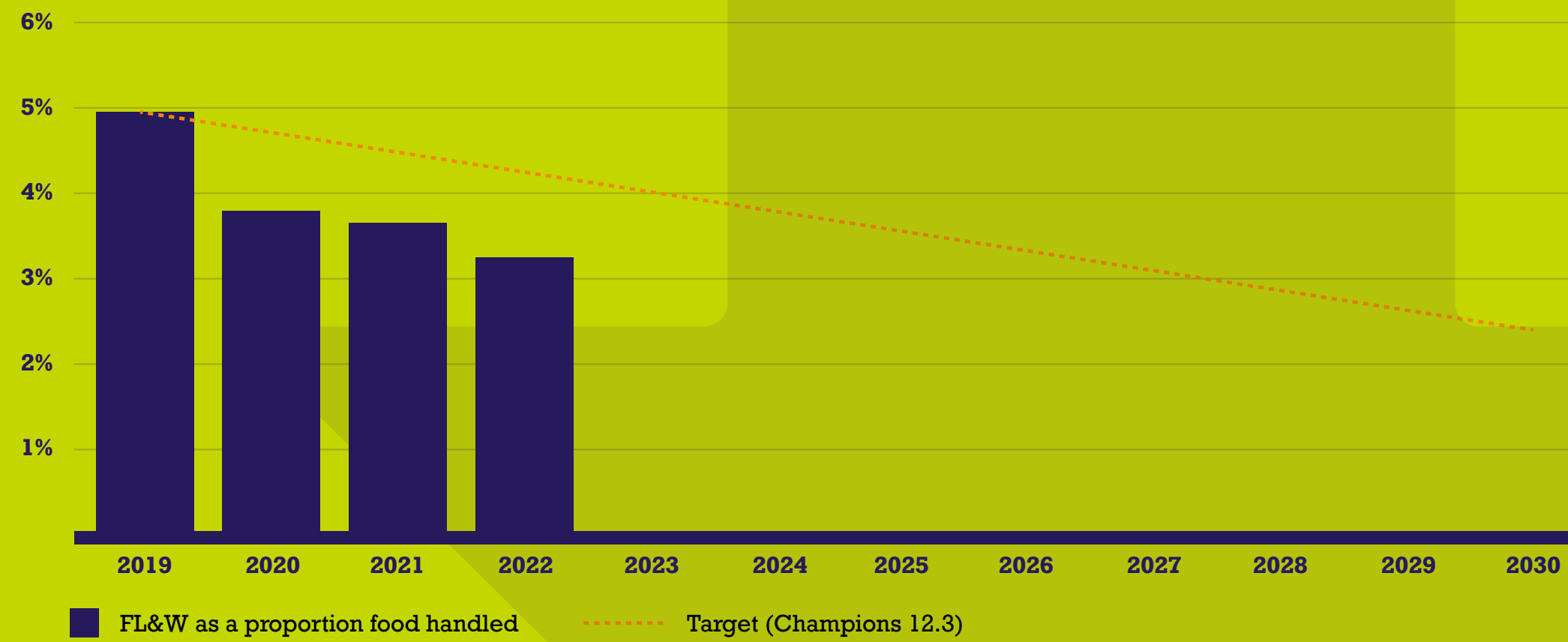
FOOD LOSS & WASTE

Food waste is a significant issue in the UK and a potential cost to our business. Food loss and waste (FL&W) can occur across our operations: in agriculture and during processing. However, our business model is built on minimal waste and finding value in every part of the carcass, whether it is for the human food chain, animal consumption or a non-food product, such as biofuel.

“OUR BUSINESS MODEL IS BUILT ON MINIMAL WASTE”



Food Loss and Waste Reduction

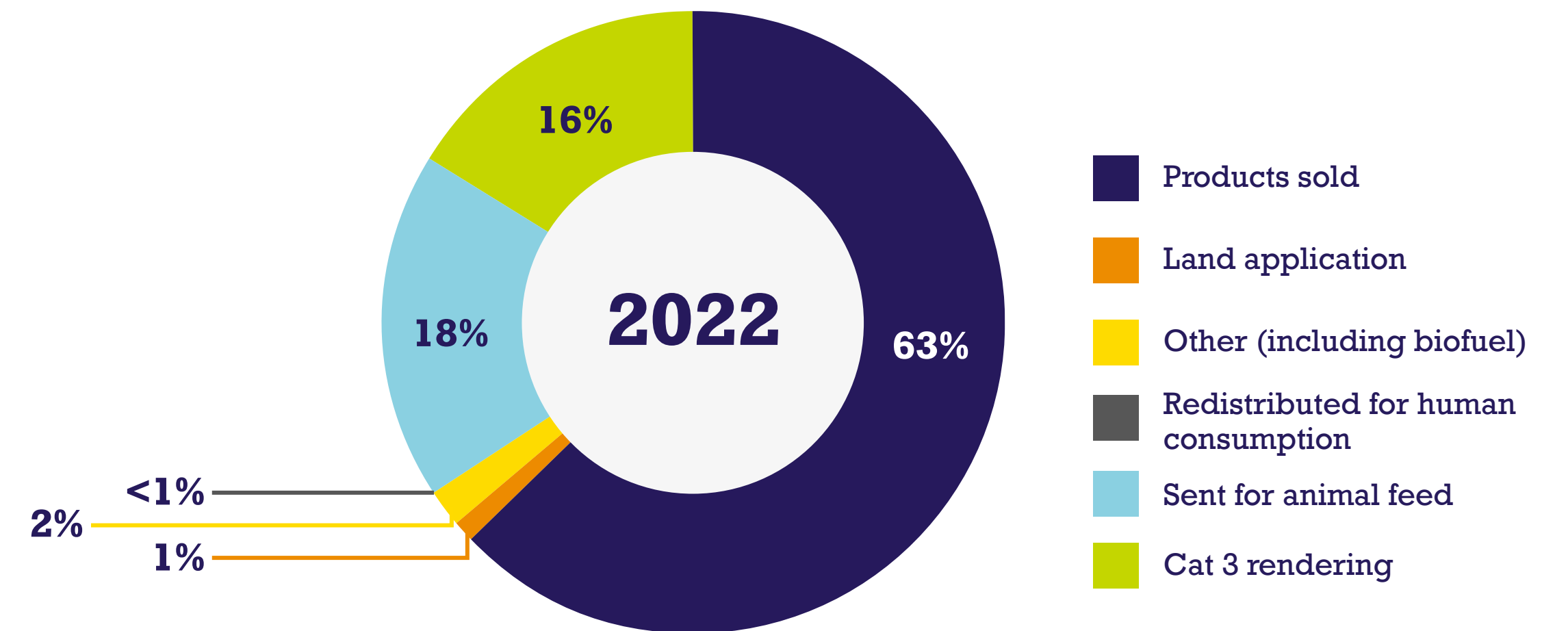


We are currently on track to achieve the target of 50% reduction in food waste by 2030. In 2022 our operational food waste of sold product was 3.24%, down from our baseline year 4.93%.

END DESTINATION

In our supply chain, we redistribute products to the best of our ability for human consumption within our business to our staff shops and externally through charity donations such as FareShare; this is our food surplus.

The pie chart below shows how the majority (81%) of our products are used for human or animal consumption.



We have also been working with our customers in the hospitality and food sector in order to create a whole chain reduction plan, in conjunction with WRAP. The objective of the project was to identify opportunities where meat waste reduction could be achieved across the supply chain with a focus on one product - chicken thighs. Our data showed our thigh factory rejects, where a product does not meet specification, to be less than 0.5% of processed volumes in this project. Improvements were implemented which included additional staff training, and thereby resulted in up to 0.8% improvements in quality compliance.

PLASTICS AND PACKAGING

Under the UK Plastics Pact, we have committed to:



Eliminate problematic plastics reducing the total amount of packaging on supermarket shelves



Stimulate innovation and new business models



Help build a stronger recycling system in the UK

Alongside other signatories, we will ensure plastic packaging is designed so it can be easily recycled and made into new products and packaging, ensuring consistent recycling is met.

The right packaging preserves the safety, quality, and nutritional properties of our products, as well as prolonging the life of our products and reducing food waste.

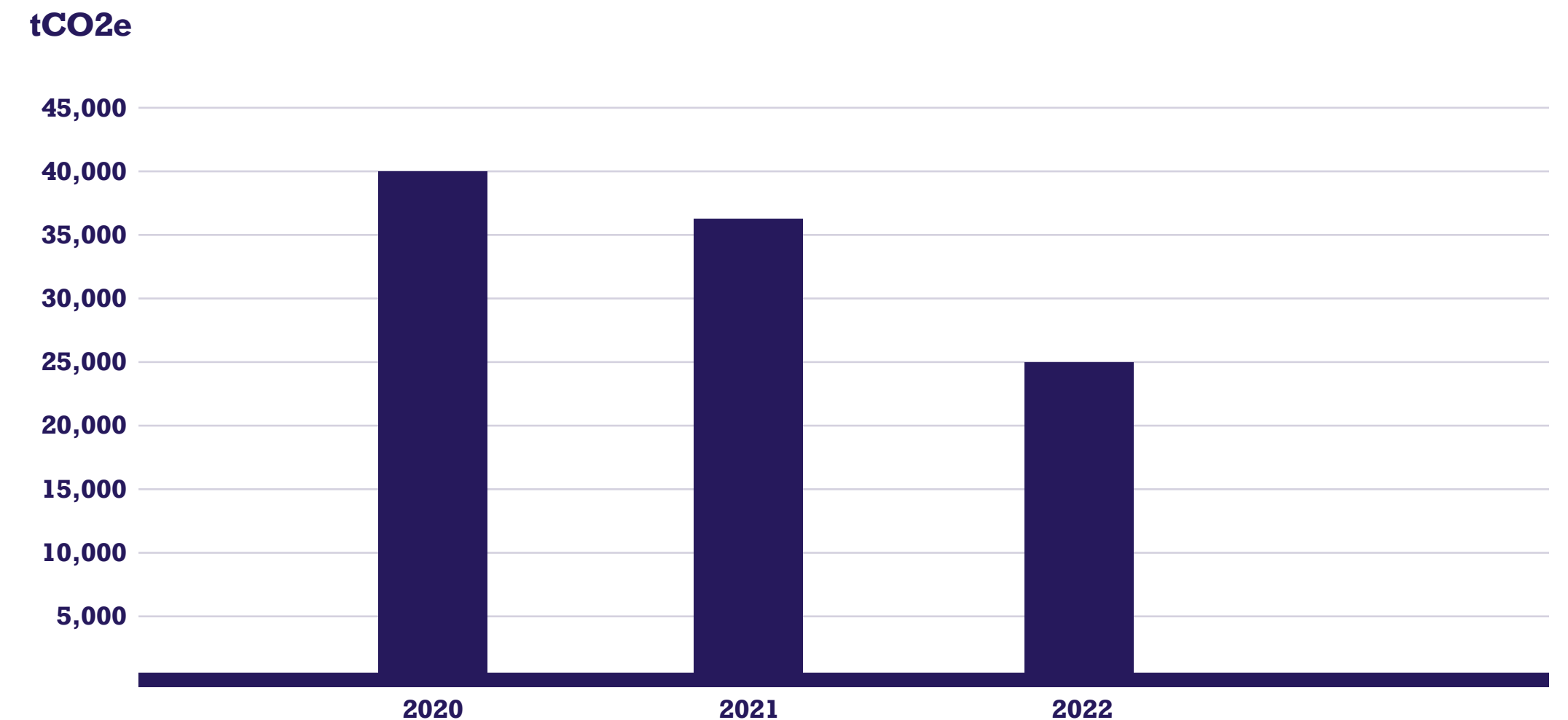
We have made significant progress introducing new packing to the market: reducing the amount of plastic required and increasing the proportion that can be recycled through kerbside collections.

PLASTICS

From 2020-2022 we have reduced the greenhouse gas emissions associated with our packaging by 31%. This is predominantly due to us reducing the weight of packaging by 40% during the same period.

We've also completed a circular economy trial with one of our customers and their packaging supplier, taking their 'back office' plastic waste and recycling it into food-grade packaging for our products.

31%
REDUCED
GREENHOUSE GAS EMISSIONS
SINCE 2019



BIODIVERSITY



There are two immediate priorities when it comes to our business, the wider supply chain and its impact on biodiversity:

1.

SUSTAINABLE SOURCING

Working with our suppliers to ensure we are sourcing all the products we need to keep our birds fed and healthy. From suppliers supporting sustainable agricultural practices to zero deforestation.

2.

MITIGATING POLLUTION IMPACTS

We are working with local authorities and expert bodies to understand and drive solutions to local pollution linked to the spreading of poultry litter to land.

SOURCING RAW MATERIALS

We use Brazilian soya as an ingredient in our feed. It's a great source of protein, which is a requirement for the healthy development of our birds, but we recognise that it needs to be sourced responsibly. We do this in a number of ways:

- We only buy certified zero-deforestation soymeal (and have done so since 2019). It's currently certified to sub-national regions and we have committed to sourcing from verified zero-deforestation areas by 2025.
- We are a member of the UK Soy Manifesto, and are working collaboratively with others to find practical ways of achieving a UK supply of verified deforestation and conversion-free soya.
- We have reduced the amount of soya in our diets by using more alternative protein sources, such as synthetic proteins, peas, beans and rapeseed. We have also been investigating the use of alternative proteins to reduce the use of Soya in our diets.

Beyond soy, we do not use palm oil and over 50% of the wheat we use is purchased locally in the UK.



RESPONSIBLE MANURE MANAGEMENT

In the Wye Catchment, excess phosphate is one of the contributing factors to declining water quality and damage to the wider ecosystem. While we are not a direct polluter – no litter is spread on poultry farms - we recognise the potential impact of phosphates that originate in our supply chain, when used as fertiliser on other land within the catchment

That’s why we committed to manage the impact of own supply chain and establish standards that others can adopt. In January we published our River Wye Roadmap explaining how we would ensure our supply chain was not contributing phosphate in the River by 2025. We are making good progress and expect to deliver ahead of schedule.

This road map is built around:

Data: Accurate data that enables us to make informed decisions and measure progress. We’re in the process of updating and refining our data to better understand the origins and flows of litter from our supply chain. Our feed analysis shows that we have made a further year-on-year reduction in the amount of phosphate within our birds’ diet.

Diverting Litter: We have agreed a partnership with an independent third party logistics company that will effectively cease the sales of poultry litter from the Avara supply chain, as fertiliser, within the catchment from 1st January 2024.

Enhanced soil standards: Land management is at the heart of our approach and essential if lasting change is to be achieved in the catchment. We’ve been identifying potential independent assurance standards that we can adopt on farms within our supply chain that use poultry litter elsewhere on their farming estate, and are piloting a scheme that is managed by Red Tractor.

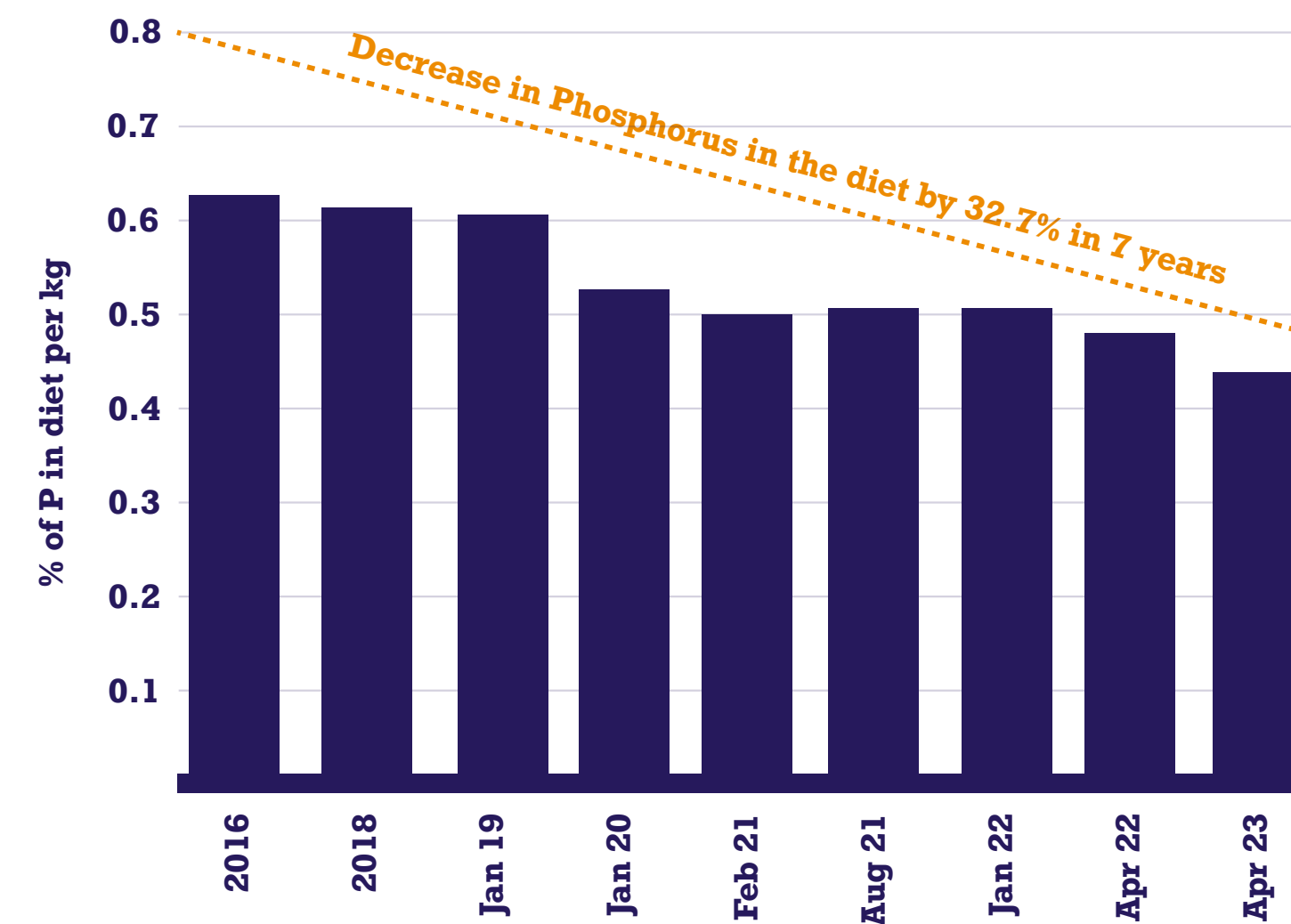
Technological solutions: Our supply to an in-catchment anaerobic digestion plant continues to increase, alongside rigorous testing of the phosphate stripping technology. We are also exploring other potential avenues for litter and will update as we understand more.

Stakeholder and community engagement: We recognise that we have a role to play supporting other businesses and organisations in the region. That’s why we’ve continued to work with WWF, WRAP and the Wye and Usk Foundation, as well as adapting our approach to be a blueprint for others to follow, if they wish.

By implementing our roadmap we are confident we will play our part in reversing the decline of the Wye. However, as our supply chain is just one of a range of factors contributing to the issues in the river, urgent action is needed across them all, if the river is to recover.

32.7% REDUCTION IN PHOSPHOROUS SINCE 2016

The average composition of the total Phosphorus level



IN SUMMARY

	WHAT WE'VE DONE	WHAT WE'RE DOING NEXT	OUR TARGETS
 CARBON	<p>23% reduction in Scope 1&2 MB emissions since 2019.</p> <p>24% reduction in Scope 3 emissions since 2019.</p>	<p>100% of farms to be measuring their Carbon footprint.</p> <p>Continuing to engage suppliers.</p>	<p>SBTi</p> <p>46% reduction in Scop 1&2 emissions by 2030.</p> <p>28% reduction in Scope 3 emissions by 2030.</p>
 ENERGY	<p>25% reduction in energy consumption since 2019.</p>	<p>Investigating and trialling new technology.</p>	<p>2% year on year improvements in energy efficiency.</p>
 WATER	<p>15% reduction in water consumption at our main sites since 2019.</p>	<p>Mapping our supply chain water footprint, including farms.</p>	<p>50% of water to be sourced from sustainable sources. 2025 Water Ambition.</p>
 WASTE	<p>Operational food waste is 3.24% down from 4.93% in 2019.</p> <p>Zero waste to landfill.</p> <p>66% reduction in carbon emissions associated with waste disposal.</p>	<p>Continuing to engage employees on effective waste segregation.</p> <p>Completing waste mapping at sites to identify further recycling opportunities.</p>	<p>50% reduction in FL&W by 2030.</p> <p>20% recycling rates.</p>
 PLASTICS	<p>Reduced the tCO2e associated with packaging 31% since 2020.</p>	<p>Continue exploring circular economies.</p>	<p>Plastics Pact</p>
 BIODIVERSITY	<p>100% certified Soy.</p> <p>Published River Wye Roadmap.</p>	<p>Trialling alternative sources of protein</p>	<p>100% vDCF by 2025.</p>



**FOR
GOOD**

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