


<b>Allied Mills Environmental Policy</b>		<b>POL01</b>		
Issued	19 <sup>th</sup> February 2024	Version	7	
Owner	Barry Kelly			

## OUR COMMITMENT

Allied Mills is part of the Milling & Baking Group of Associated British Foods and operates on three sites at Tilbury, Manchester and Belfast. We produce cereal based products; flours, semolina, mixes and co-products for sale into the human and animal food supply chain. Allied Mills is committed to continual improvement in environmental performance, protection of the environment, pollution prevention and at a minimum fulfilling our environmental compliance obligations. The following Policy sets out our overall approach to operating responsibly and provides a summary of the standards to which we are committed, as well as the management frameworks through which we will work to deliver them. Allied Mills has established environmental objectives at all relevant functions, levels and processes as needed for its Environmental Management System. These objectives demonstrate that Allied Mills has taken into account the Organisations significant environmental aspects, compliance obligations and considered risks and opportunities.

Allied Mills 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 ISO 14001 certified 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 Milling and Baking is a signatory.
- The UK Plastics Pact.
- 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, The Institution of Grocery Distribution, WRAP.
- OECD Guidelines for Multinational Enterprises
- ISO14001

This Policy will be reviewed annually and we would welcome feedback from any interested parties about further steps we can take to maximise the positive impact of our business operations in this context.

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## **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.


**Water.** Allied Mills recognises growing concern regarding the impact of water stress globally. Along with other signatories to the Courtauld Commitment, we will play our role in collectively 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 flour-based products / semolina and helps to ensure the quality and consistency of the products that we mill. All our mills are required to monitor our water use and ensure that they use water efficiently within their operations. In addition, most of the flour-based products that we produce 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.** Allied Mills waste is on average less than 0.1% of Total Production, we do not produce any significant food waste because all wheat is milled into flour-based products or wheatfeed (co-product) for sale into the human and animal food supply chain.

**Working towards creating a circular economy for packaging.** 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](#)].

**Wheat Sustainability.** Most of the wheat we use is grown in the UK supplied from over 4,000 farms. We recognise that agricultural practice has a significant role to play in respecting the natural environment, reducing carbon emissions and working towards greater resilience to increasingly volatile weather conditions. For that reason, Allied Mills is sponsoring an eight-year trial programme focussed on assessing the commercial and environmental impact of wheat grown using a range of regenerative agriculture techniques, including 'min-till' to minimise soil disturbance. While the results to date are looking positive, with reduced emissions on farm and increased yields, we need the full eight-year data set to properly assess the implications of adopting these practices at scale. The plan is to share the output of this trial programme as part of broader efforts to support other UK farms to adopt management practices that can be shown to optimise the balance between environmental and production efficiency.

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**IMPLEMENTATION**

With a complex and global supply chain Allied Mills 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 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 General Manager of Allied Mills.

Our Finance Director is accountable to the Senior Management Team for ensuring business compliance to this policy.

An annual review of the implementation of this Policy shall be undertaken and presented to the Allied Mills Senior Management Team, including:

- The results of an annual environmental review aligned to ISO14001 considering all aspects of Allied Mills products and services (conducted by the Group Technical, Environmental and ESG Manager)
- Any relevant learnings from our ongoing assessment and monitoring.
- An assessment of environmental management data related to our own operations and to 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	<i>Barry Kelly</i>
General Manager	
Date	<i>28/2/24</i>