

GOOD FOR OUR ENVIRONMENT

OUR
Taste
FOR
Good

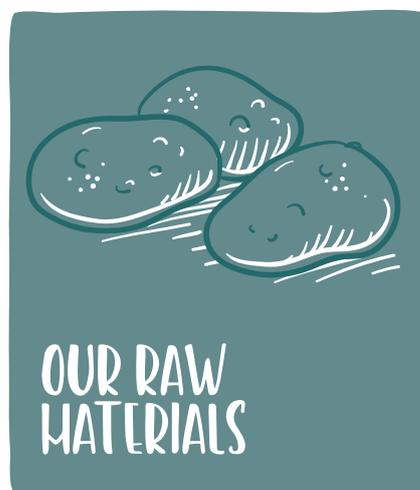
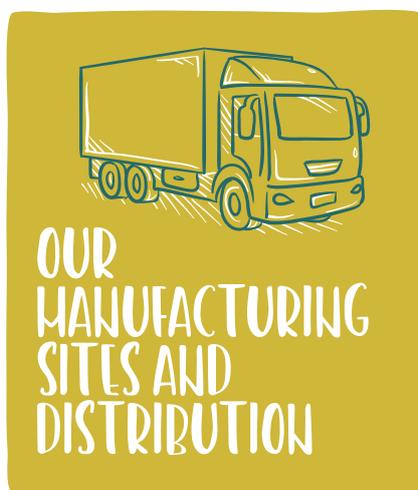


Part of the Intersnack Group 

WHY IT MATTERS

As a food company producing snacks for consumers across the UK and internationally, we recognise that we have both a significant impact and an opportunity to make a positive difference to the natural world.

In turn, our business and its supply chain is inherently reliant on a stable climate and a thriving natural world. At KP we're always working hard to reduce our environmental impact - from the raw materials we source to produce great tasting snacks, to the packaging we serve them in. And, despite the challenges of the past 12 months, we continue to make good progress. We focus our efforts in three key areas:





OUR PACKAGING

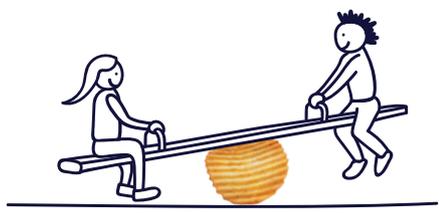
OUR PACKPROMISE ON PACKAGING



The KP packPromise is a three-step plan to reduce our whole packaging impact.



PHASE 1



Is our continuous programme to use less packaging, including cutting the amount of plastic film we use to make snack packs and reducing our use of distribution packaging. By reengineering the shape and size of our snack bags, we can cut the amount of plastic required to make them. Recent achievements include:



23% LESS

FOR HULA HOOPS MULTIPACKS

Saving 11 tonnes of plastic per year

14% LESS

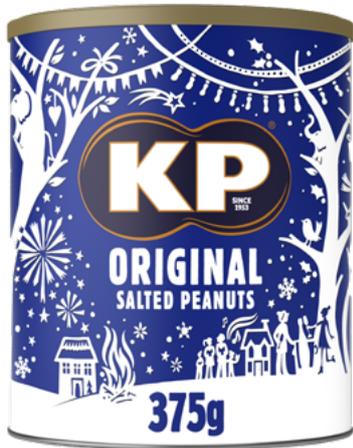
FOR TYRRELLS

Saving 43 tonnes of plastic per year

14% LESS

FOR POPCHIPS

Saving 23 tonnes of plastic per year



100% RECYCLABLE KP NUT CADDIES

For Christmas 2020, we made our iconic KP Nuts caddies 100% recyclable for the first time (and they were made from 60% recycled material). Our new caddies saved about 84 tonnes of waste from going to landfill and had a lighter, fully recyclable lid – which saved another 7 tonnes of plastic.

100% RECYCLABLE JAR AND LID

We also launched KP Peanut Butter – with a fully recyclable jar and lid!



410 TONNES OF PLASTIC PLANNED TO BE CUT IN 2021

In 2021 we have even bigger plans to reduce our packaging. We've invested in new equipment at our Ashby factory that allows us to pack products in a more efficient way. This will help us cut a further 142 tonnes of packaging across our Skips, Nik Naks and Space Raiders products. And more packaging changes this year will allow us to save 35 tonnes of plastic on Popchips sharing bags, 52 tonnes on Hula Hoops six-packs, 36 tonnes on Butterkist, 30 tonnes on Hula Hoops Puft and 38 tonnes on McCoy's.

117 MILLION PACKETS REMOVED IN 2021



By the end of this year we will have removed a whopping 410 tonnes of plastic from our packaging chain. This equates to 6.8% of our total consumer packaging used in 2020, and represents the equivalent of removing approximately 117 million packets.

Phases Two and Three are about our long term commitment to make sure all of KP's plastic packaging is fully recyclable within normal household waste streams and we will play our part in helping to develop industry solutions to meet this challenge.

So how will we get there?

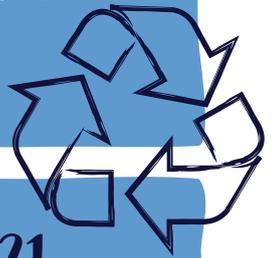


PHASE 2

Is about facilitating snack pack recycling while we find longer term solutions. We continue to work in partnership with TerraCycle® and there are now 500 public drop-off points around the UK where you can drop off used KP nut, popcorn, crisp and pretzel packets for recycling.

By March 2021, our TerraCycle® partnership had recycled some 9.8 million snack packs – and we've been able to turn some of that into ping pong tables, garden planters, picnic tables, benches and bird feeders which we donated to two community charities close to our Ashby and Slough sites.

500 PUBLIC DROP-OFF POINTS
TO RECYCLE PACKETS



BY END OF MARCH 2021

9.8 MILLION
SNACK PACKS WERE RECYCLED

PHASE 3



Is our long-term project to ensure all KP's plastic packaging is fully recyclable within normal household waste streams, as part of our UK Plastics Pact commitment to achieve this by 2025. This involves finding new materials as well as new infrastructure recycling solutions, working with both WRAP and other UK Plastics Pact members.



**THE UK
PLASTICS
PACT**



OUR MANUFACTURING SITES AND DISTRIBUTION

WASTE

As a signatory to the United Nations Champions 12.3 Network, we have committed KP to cut all food waste in our manufacturing sites by 50% by 2030.



100% of our factory food waste is already either recycled into animal feed, where its calorific content adds value back into the food chain, or it's re-used in other creative ways (such as starch from potato processing, which has various industrial uses).

All KP factories have been zero waste to landfill since 2012 but numerous projects continue to drive down our total waste, with the aim of a reduction of at least 5% every year. In 2018 we achieved an overall reduction of 13% and in 2019 a further 5.52%

WATER AND ENERGY

We want to reduce the amount of water we use in the production of our crisps. McCoy's in Teesside is our heaviest water user – it's our biggest factory, making 8.5 million packs of McCoy's a week, and we process raw potatoes to make our crisps. So, we installed a water treatment plant at Teesside which now recycles more than half a million cubic metres of water a year. All our factories also have rainwater harvesting equipment which we use to flush the toilets. So far, these measures have helped cut our overall use of water by over 70%.

In terms of energy reduction, we used 7.67% less gas over the past year. All the electricity we use is from renewable sources so already zero carbon. This year we will also invest in a new heat and power plant which will increase our overall energy efficiency, and generate savings which will help us continue to invest in new opportunities.

ROAD MILES



We want to make better use of transport to distribute our products. By packing smaller, putting more products on a pallet, sending snacks direct to our retailer customers (rather than via a hub) and making sure every vehicle is fully laden, we significantly cut both transport costs and our environmental footprint.

IN 2021 WE WILL NEED

644 FEWER LORRY JOURNEYS

To deliver Skips, Nik Naks and Space Raiders!



OUR RAW MATERIALS



POTATOES

We have developed a sustainability index which gives us insights into the current sustainability performance of our grower base, and highlights opportunities to improve the sustainability of this key raw material going forwards.



KP has long term relationships with carefully selected, professional and specialist crisping potato growers. Our close ties with these UK potato growers help to support their businesses, grow better potatoes and look after the environment at the same time.

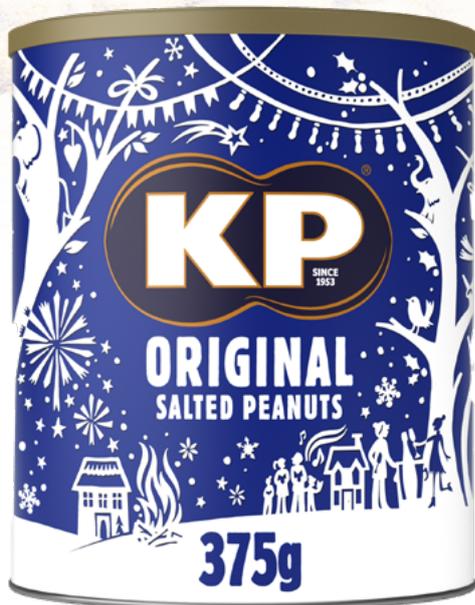
To develop a more sustainable and resilient supply chain, several years ago KP began working with Sustainable Futures. Through workshops and specialist meetings, we are providing our Growers with knowledge exchange by employing experts in the areas of soil and water management, as well as techniques to improve biodiversity.

We have developed a sustainability index which gives us insights into the current sustainability performance of our grower base, and highlights opportunities to improve the sustainability of this key raw material going forwards. Our data demonstrates a large percentage of our supply base use organic manure to improve soil health, precision farming techniques to optimise inputs and have dedicated areas on the farm to promote natural biodiversity.

Building on this sustainability index, we have two “host farms” in the McCoy’s and Tyrrell’s supply chain which are used to showcase the benefits of cover cropping to the whole supply chain. Cover cropping on these pilot farms has improved soil structure and health, aided water infiltration, and reduced soil erosion, which in turn has helped with the establishment of the potato crop.

The cover crop analysis of the host farm in Herefordshire showed that they had also captured significant levels of nutrients which would have potentially been leached away during the periods of heavy rain that occurred in the Hereford area, helping to protect local water quality. These improvements will hopefully lead to a more resilient potato crop and higher yields.

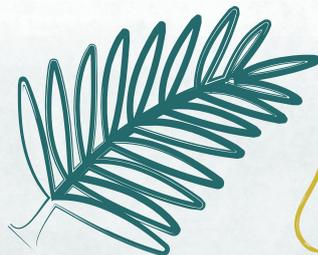




NUTS

All of our nuts are sourced by our parent company, Intersnack, which is one of the largest purchasers of nuts globally. Through Intersnack we have close, long term partnerships with our suppliers, providing good visibility into our supply chains and enabling us to connect the people who enjoy our nuts to the people and communities who grow them. This approach means we can lead the way in the responsible sourcing of nuts, and Intersnack has numerous projects underway around the world, supporting nut farmers to increase their incomes and use more sustainable agricultural practices.

PALM OIL



We're working hard to remove palm oil from across our product range; along with our parent company Intersnack, we have set ourselves the long-term goal of eliminating palm oil from the direct ingredients list of our products. Our oil policy is centered on a switch for all product groups to vegetable oils with a low saturated-fat content, such as sunflower or rapeseed oil. These oils perform better in terms of a range of health factors, as well as reducing our contribution to the negative impacts that palm oil cultivation can have on forests and biodiversity.

For those limited items where palm oil is currently still an ingredient in KP's product range, we only use RSPO segregated or mass balance sustainable palm oil and through Intersnack, we participate as a member of the Roundtable on Sustainable Palm Oil (RSPO) to drive further improvements in the sustainability of palm oil production.



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