

Section 4.1.3 of Kepak Group Limited’s Merthyr Tydfil’s Environmental Permit requires this summary report of the previous year’s performance against the targets set in EP 203 of the site’s EMS.

Targets Overview

During 2018 the 2 Sisters Red Meat business was acquired by Kepak Group. The Merthyr site’s current targets and objectives were developed in line with the 2 Sisters Food Group sustainability strategy, as well as site compliance obligations. Kepak Group are currently reviewing their sustainability strategy and, once introduced, the Merthyr site will review and potentially introduce new targets and objectives in 2019.

These targets are detailed in the Targets, Objectives and KPIs (EP 203) section of the EMS. To meet these objectives and targets an Environmental Target Plan (EP 331) has been developed to track progress.

Environmental	2016/17	2017/18	2018/19	2019/20
Environment Permit Banding	25% A/B 0% F	50% A/B 0% E	75% A/B 0% D	100% A/B
Energy per tonne of product	3% Year on Year reduction	3% YOY reduction	3% YOY reduction	3% YOY reduction
Water per tonne of product	>1% YOY reduction	>1% YOY reduction	>1% YOY reduction	>1% YOY reduction
Reduce food waste	Measure baseline	5% YOY reduction	5% YOY reduction	5% YOY reduction
Environmental Management System	Review	Implement	Certify	Certify
Meet customer requirements (ie M&S Plan A)	<ul style="list-style-type: none"> • Review position • ID Gold sites 	Silver and gold plans	100% Silver	<ul style="list-style-type: none"> • 100% Silver • Gold passed

Target Progress Summary

To efficiently track Merthyr’s progress towards achieving these targets, the site monitors KPIs weekly, monthly and annually, as well as also tracking the progress and feasibility of continuous improvement projects.

On the majority of KPIs, Merthyr is currently performing well, except normalised energy and water targets due to operational changes following the acquisition by Kepak

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Enviro Performance	2018/2019 Target	2017/2018 Achieved	2018/2019 Achieved to date
Environmental Permit Banding	50% A/B 0% E	C	C
Energy per tonne of product	468.99	476.74	625.20
Water per tonne of product	1.71	1.62	2.19
Reduce Food Waste	5% YoY Reduction	n/a	n/a
Environmental Management System	Implement System	Certified System	Certified System
Meet Customer Requirements	Silver and Gold plans	Requirements met	Requirements met

In 2018 a number of improvements were initiated;

- During 2018, Kepak Red Meat UK successfully transitioned its EMS to ISO14001: 2015 certification for its divisional Environmental Management System.
- All new or replacement equipment purchased was of the most efficient type available, taking budgets into consideration.

Odour Complaints

There were 14 unsubstantiated odour complaints received during 2018 in relation to odour complaints that had been received by Natural resources Wales (NRW) and directly to site.

Following a series of meetings attended by the site, NRW and Welsh Water it was established that these complaints were in reference to odours emanating from the Welsh Water sewage system downstream of the Merthyr site and also potentially from Merthyr Council operated systems. Welsh Water are continuing to investigate and map their network within the Dowlais Top area and the site will assist with their ongoing investigation.

The site will continue to ensure that effluent discharged from the site is within compliance limits.

There were no substantiated odour complaints in relation to airborne odours in 2018.

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