



29 October 2021

Premier Foods plc (the “Company” or the “Group”)

Premier Foods announces new ESG strategy with series of major sustainability commitments

- Group announces new ESG strategy “Enriching Life Plan” focusing on three key pillars
- Product:
 - More than doubling the sales of products that meet high nutrition standards¹ by 2030
 - £250m sales from plant-based² products by 2030
- Planet:
 - Reduction of Scope 1 and 2 carbon emissions by 42% by 2030
 - Achieve Net Zero for direct emissions by 2040³
 - Introduction of Science Based Targets aligned to the ‘Business Ambition for 1.5’
 - Halve food waste by 2030
- People:
 - Gender balance for senior management population by 2030
 - Donation of 1 million meals to those in food poverty per annum by 2030
- ESG strategy, inspired by new Company purpose, ‘Enriching Life Through Food’

Alex Whitehouse, Chief Executive Officer

“Over the last few years, we have made some very good progress against our previous ESG strategy and we are proud of the achievements that we have made so far. We have evolved rapidly as a business over the last eighteen months and we now have ambitions which are much bigger and bolder. So today we are launching a new ESG strategy which reflects this ambition. We firmly believe that we should take responsibility for helping to support a healthier planet, for delivering new product options to help consumers eat more healthily and in caring for our colleagues and communities.”

“Therefore, we are today laying out a comprehensive set of new commitments. For example, we will reduce our Scope 1 & 2 carbon emissions by 42% by 2030 and be carbon Net Zero for these emissions by 2040, to align with the ‘Business Ambition 1.5’. We also expect to halve our food waste and are committing to a deforestation free supply chain by 2030. We will leverage our proven branded growth model and insight driven innovation capabilities to develop and provide consumers with an increasing number of healthy options including a series of plant-based products such as Sharwood’s Vegan cooking sauces and Mr Kipling 30% less sugar cake slices. This strategy will be instrumental as we target the delivery of £250m sales from plant-based products by 2030 and double the sales of products that meet high nutritional standards.”

Overview

In recent years, the Group has delivered very good progress against its previous ESG strategy. The Group’s ambitions have now moved on, and done so at pace, reflecting the sense of purpose and commitment to sustainability from both the Board and colleagues alike. During the process of developing this strengthened ESG strategy, the Group also conducted a materiality review, talking to, and importantly, listening to a range of stakeholders. The formulation of the strategic pillars, as set out below, has reflected this feedback.

Each pillar of this ESG strategy as described below, outlines the Group’s ambitions, key focus areas and sets out the major new commitments outlined as part of this strategy. The targets as set out below are for 2030 against a 2020 baseline, unless otherwise stated.

Product

In the product pillar, the Company's ambition is to deliver great tasting nutritious and sustainable food while eliminating unnecessary packaging. The Group has a strong track record of launching many ranges of better for you options across all its categories, with recent examples such as *Sharwood's* 30% less sugar Stir Fry sauces and *Mr Kipling* 30% less sugar cake slices. Plans here include advancing the nutritional profile of the Group's product portfolio, building new plant-based ranges in its categories and embracing new technology to increase recycling and reuse of its packaging.

Consumers are increasingly choosing more healthy options including plant-based products as part of their diet and the Group is clear in its objective of providing a broad range of products which align to this macro consumer trend and deliver on sustainability.

Planet

The Group is committing to contributing to a healthier planet through taking action on climate change, protecting natural resources and reducing waste across the value chain. The setting and adoption of Science-Based Targets to measure both direct and indirect emissions will serve to demonstrate the Company's commitment of contributing to limit global warming to 1.5°C, aligning to the 'Business Ambition for 1.5'. Scope 1 and 2 carbon emissions will reduce by 42% by 2030 and Net Zero for direct emissions to be achieved by 2040³.

Additionally, the Group will work to establish supply chain carbon reduction programmes through its supplier base and work with its partners to develop a decarbonisation plan for its logistics and distribution operations.

People

Under the 'People' pillar, the Group will implement a series of plans to improve the lives of colleagues and communities through delivering a diverse, healthy and inclusive company culture; to become a leading developer of people in the UK food industry and to be a caring partner in the community.

The Group is actively embracing an inclusion culture across the organisation where everyone is able to thrive and it firmly believes this drives benefits for the Company as a whole.

The Board fully recognises the guidance on gender diversity as set out in the Hampton Alexander review. It is a matter of priority for the Board that this subject is addressed as soon as practicable and the Board has committed to ensure compliance by the end of the Company's current financial year, 2 April 2022.

Governance & reporting

Performance against these targets will be regularly monitored and reviewed by the Group's ESG governance committee and reported on annually. This committee is chaired by the CEO and status updates on each of the three pillars are provided to the Board regularly. As previously stated, the Group also remains committed to working towards incorporating the recommendations as laid out by the Task Force on Climate-Related Financial Disclosures (TCFD); the first disclosure will be provided in the 2022 Annual Report.

~ Ends ~

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Presentation

A short presentation and infographic setting out the ambitions and targets of the Group's new ESG strategy can be found at:

<http://www.premierfoods.co.uk/investors/results-centre>

A Premier Foods image gallery is available using the following link:

<http://www.premierfoods.co.uk/media/image-gallery>

Certain statements in this trading update are forward looking statements. By their nature, forward looking statements involve a number of risks, uncertainties or assumptions that could cause actual results or events to differ materially from those expressed or implied by those statements. Forward looking statements regarding past trends or activities should not be taken as representation that such trends or activities will continue in the future. Accordingly, undue reliance should not be placed on forward looking statements.

Targets in full

All timeframes are for 2030 unless otherwise stated, against a 2020 baseline.

1. Product

- (i) More than double sales of products that meet high nutrition standards from the current c.£300m p.a.
- (ii) More than 50% of products (by SKU) provide additional health/nutrition benefits⁴
- (iii) Deliver sales of £250m in plant-based² products, from current level of c.£78m
- (iv) Each core range to have a plant-based/meat or dairy free offering
- (v) 100% of packaging to be reusable, recyclable or compostable by 2025
- (vi) Reduce carbon impact of Group's packaging by 25% in line with SBTi targets

2. Planet

- (i) Develop validated Science-Based Targets to 'Business Ambition for 1.5'
- (ii) Reduce scope 1 and scope 2 emissions by 42% in direct operations and achieve Net Zero carbon emissions by 2040
- (iii) Reduce Scope 3 emissions by 25% and achieve Net Zero by 2050
- (iv) Deliver zero deforestation in palm oil and meat supply by 2025
- (v) Zero deforestation across entire supply chain by 2030
- (vi) Champion regenerative agricultural practices for key ingredients
- (vii) Halve food waste and support suppliers to do the same by 2030
- (viii) Make better use of any food waste generated and redistribute 750 Tonnes for human consumption
- (ix) Use strength of brands to engage shoppers and consumers to reduce food waste in the home

3. People

- (i) Gender balance for senior management population by 2030
- (ii) Diversity KPIs reflect regional demographic
- (iii) All Group locations to achieve platinum level health and wellbeing accreditation
- (iv) Provide skills programmes and work opportunities for the unemployed and disadvantaged groups to enable fulfilling careers in the food industry
- (v) Support employees to develop key skills – 75% of STEM⁵ vacancies filled by internal vacancies
- (vi) 80% of colleagues feel they have the opportunity to develop and grow
- (vii) Donate one million meals per annum to those in food poverty
- (viii) Commitment to provide 1,000 colleague days per annum contributing to charitable good causes

Notes to editors:

1. Products of a high nutritional standard are defined as products scoring less than 4 on the Department of Health's Nutrient Profiling Model
2. Plant based products are products made to a vegan recipe. They do not contain meat, dairy, eggs and other animal products, and all principal ingredients are plant based.
3. Carbon emissions, Scope 1 and 2. Scope 3 Carbon emissions to be Net Zero by 2050.
4. Products with an additional health benefit are defined as products with a regulated health or nutritional claim.
5. Science, technology, engineering and mathematics.