

## SUSTAINABILITY REPORT















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## 1 CEO INTRODUCTION



Anglia Maltings (Holdings), or AMH, is a privately held business producing high quality malt and food ingredients. We have been processing barley into malt since 1870. With this rich heritage comes respect for the land, and an unparalleled relationship with customers, which is supported by the commitment of our colleagues.

The development of the six goals of our Sustainability Strategy incorporates who we are, our purpose and values as a business, guided by the UN Sustainability Development Goals (SDGs) and our commitment to being transparent and accountable.

In 2022 we developed our sustainability strategy, understood the great work we have been doing as a responsible business, and embedded the framework that will allow us to deliver on our commitments.

This is our inaugural Sustainability Report. It provides information on the development of our Sustainability Strategy; our achievements to date; the direction we are taking; the framework for delivery; and our commitments to deliver.

As a business that relies on the land, we take our responsibilities to the environment with the utmost seriousness. Having built 150 years of meaningful partnerships, we will continue to put relationships with, and duties of care towards, suppliers, customers, colleagues and communities at the heart of our operations.









# 2 ABOUT AMH

At Crisp Malt we have lived and breathed malting since 1870. We use the rare combination of traditional and modern malting techniques to produce over 440,000 tonnes of malted cereals each year.

Operating seven malting sites across England, Scotland, Germany and Poland, we supply the finest malt to the craft and global brewing, distilling and food industries. We pride ourselves on the quality of our malt, and our first-class customer service and our excellent technical support.

Top-quality malt starts with sourcing the best raw material from the prime malting barley growing areas and we have long-standing relationships with key barley suppliers across our operating geographies.

While we're steeped in tradition, our technical experts are infinitely curious, always looking to push boundaries and take things to the next level. Innovation with suppliers and customers is a source of great joy - and great ingredients.

Steve Le Poidevin **Chief Operating Officer**  FINEST MALT

EDME has been based on the same site next to the River Stour in Mistley, Essex, since its earliest origins in the late 19th century, originally as a producer of malt extract. Today, we use a variety of process technologies to create natural, nutritious flours and other ingredients for the bakery and wider food industries.

In addition to taking barley, wheat and rye malt from Crisp, we use high-quality raw materials from farms in the local area. To support our customers across the 20 countries we supply product to, we are AA\* rated by the BRCGS certification.

Mark Hodson **Managing Director** 



Established over 30 years ago, Micronized Food Products (MFP) produces a wide range of torrefied and micronized cereals and pulses for the brewing and animal feed industries from a production site located at Northallerton, North Yorkshire.

The processes carried out by MFP are value-adding, bringing a range of attributes to our product portfolio.

Mark Hodson **Managing Director** 



## **OUR PURPOSE** & VALUES

In setting the AMH Purpose and Values, we wanted to build on the success of our great business:



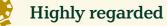
Masters of our craft



Flexibility in the market



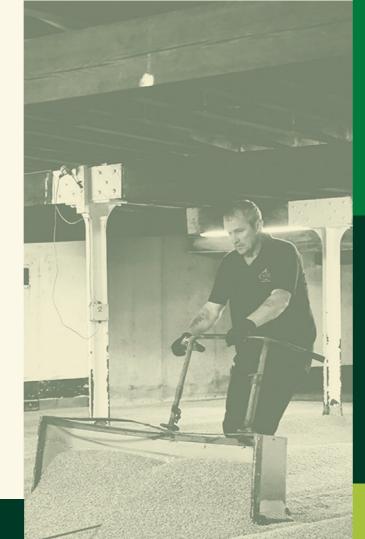
Great team



Determination to ensure the business is fit for the future

## **OUR PURPOSE**

Creating Lasting Partnerships to Bring Flavour & Joy to Life



## **OUR VALUES**

## **BE SUPPORTIVE**

"Together we are stronger. We love to help others succeed through meaningful partnerships."



### **TRUST & BE TRUSTED**

"There's collaboration in every great achievement. We can, and do, rely on each other."



### **TAKE PRIDE**

"If it's worth doing, it's worth doing well, and we like the satisfaction it brings."



### **BE CURIOUS**

"Possibilities are everywhere. We love *the exploration - and the chance to* make a difference."



### **PASS IT ON BETTER**

"Responsibilities go far and wide. We love to nurture and add value for lasting good."

## 4 AMH SUSTAINABILITY STRATEGY

For AMH, sustainability means being a responsible organisation for society and the environment, whilst growing as a successful business. We have developed a strategy focusing on environmental and social sustainability that aligns to our Purpose and Values. We will build on the good we already do to care for our environment and support social priorities...

## AMH VALUES

PRODUCT DEVELOPMENT & INNOVATION

COMMUNICATION & COLLABORATION

# OUR VISION & OVERALL AMBITION

AMH is a responsible business and by actioning our Sustainability Strategy we will build on the good we already do. This means care for the environment and supporting social priorities throughout the company and local communities, setting us up to lead on sustainability initiatives in a changing future.

## WHAT WE WILL DO

We will action sustainability across our value chain, reducing environmental impacts and increasing social value through our golden threads of collaboration, communication and innovation. Our headline goals are aligned to the relevant UN Sustainable Development Goals.

## HOW IT WILL BE DELIVERED

#### PROCESS & GOVERNANCE

Accountability is defined by a sustainability working group, action plans agreed; with timescales and KPIs tracked.

#### TOOLS, DATA & REPORTING

A simple process to track performance across operations is in place, with a special focus on improved greenhouse gas emission reporting.

#### PEOPLE & CULTURE

Our Purpose and Values provide a platform for discussions around sustainability, encouraging curiosity, focus on solutions, and a culture of continual improvement.

#### RESOURCES

AMH provides sufficient resources (both people and investment) to implement the strategy effectively.

#### **COLLABORATION**

We are working closely with those in our supply chain to share knowledge and best practice.

## 5 OUR SIX HEADLINE GOALS

Our headline goals are aligned with UN Sustainable Development Goals; drive the actions required to meet our sustainability aspirations; and make AMH a resilient business fit for meeting future challenges in a changing climate.

The targets we have set for these goals, and measuring our progress to meet them, will shape our business priorities.

### AT THE HEART OF OUR COMMUNITIES

Engage with our local communities to give back more and be a responsible and inclusive employer.



### LEADERS IN PRODUCT DEVELOPMENT

Use innovation to future proof our products in line with trends and to meet consumer needs.



## ZERO WASTE

Improve resource efficiency and more sustainable packaging to achieve zero waste ambition.



### A NET ZERO BUSINESS

Reduce our carbon footprint and energy usage to become a Net Zero business.



## WORKING WITH FARMS

Work with our supply chain to identify climate risks, develop resilient crops and mitigate agricultural impacts.





## OPTIMISING WATER USAGE

Reduce water usage throughout our operations and protect the water in our local area.



## **A NET ZERO BUSINESS**

The sum of our emissions contributes to our customers' Scope 3 emissions, so by reducing our Scope 1, 2, & 3 emissions, we can help our customers achieve their own GHG reduction targets and play our part in limiting the impact of climate change.

As part of our Sustainability Strategy, we have set the ambitious target of AMH being a Net Zero business by 2045.

The base year against which we are measuring

AMH is committed to a continuous reduction in energy use and Crisp Malt is part of the UK malting industry's Climate Change Agreement (CCA) for energy use, which requires us to meet reducing carbon emission targets.

We currently use 100% certified renewable sources of electricity at all our UK sites.

At our Great Ryburgh and Hamburg malting plants we operate combined heat and power (CHP) units. When running at capacity, the unit at Great Ryburgh saves approximately 4,650 tonnes of CO<sub>2</sub>e per year. At this rate, the CHP plant produces 65% of the site's power requirements and 12% of the heat requirement. Since installation in 2018, the Great Ryburgh CHP plant has saved the emission of over 15,000 tonnes CO<sub>2</sub>e. The unit in Hamburg covers the full electrical requirement of the site and delivers excess electricity into the local grid.

We are assessing the replacement of the current CHP unit with hydrogen-ready CHPs.

The kilns at our maltings operate to best available technology to minimise electrical and heat usage and thus limiting associated emissions. Technology includes air to air heat exchangers; air reuse; and inverter controls on fans and motors.

To limit vehicle emissions our HGV fleets are EURO6 compliant, and we are evaluating the use of low emission fuels such as HVO. Vehicles are backhauled to reduce total vehicle miles. Electric vehicle charging all colleagues and visitors.

#### **ACTIONS FOR 2023**



Introduce a fully transparent carbon accounting process to establish AMH baseline carbon footprint.



Commit to being accountable for our goals and achievements on our journey to Net Zero.



Evaluate role of renewable/alternative energy sources to provide future malt kiln heating solutions.



AMH is a cereal processing business, be it malting at Crisp Malt, milling at EDME or torrefication at MFP. The growers and suppliers of cereals are key in the supply chain to our final products.

WORKING

WITH FARMS

We know that the agricultural supply chain contributes a significant level of greenhouse gas emissions. In the UK, agriculture contributes 11% of total GHG emissions. The majority of these emissions are associated with the manufacture and use of nitrogen-based fertilisers. We purchase grain only from growers who belong to a recognised grain assurance scheme. Our UK malting barley growers are part of the Red Tractor assurance scheme which requires adherence to standards on environmental impact/conservation and sustainability. Being Red Tractor assured, our UK growers also meet the requirement for the SAI Platform Farm Sustainability Assessment (FSA) Silver Level.

Today's farmers are custodians of the soil for future generations.

AMH is a member of the SAI Platform and we will be working with our UK growers to raise their FSA Level to Gold. The Danish growers who supply the bulk of the barley required for our Hamburg maltings are already at FSA Gold Level. In Poland, our growers work to a standard aligned to FSA.

Crisp Malt sources most of its grain from growers local to our production plants to minimise food miles. For our Great Ryburgh maltings in North Norfolk we are supplied by the 200-member ABC Grower Group where the farm to maltings distance is approximately 40 miles.

We work with the ABC Group members to support the reduction of their environmental footprint. Measures include cover cropping; increasing organic matter in soil; integrated pest management; plans for biodiversity improvement; minimising tillage; and use of abated nitrogen fertiliser. Data indicates a majority of respondents are using various regenerative agricultural practices.

#### **ACTIONS FOR 2023**

We will establish the baseline carbon footprint of our ABC Grower Group malting barley supply by working with Map of Ag to determine the emissions associated with approximately 50,000 tonnes of barley supplied by 40 members of the ABC Grower Group.

> We will measure nitrogen use efficiency on the farms. This parameter provides a good metric to measure the interaction of nitrogen input, crop yield and crop nitrogen content.



We will work with our growers to introduce best in class regenerative agriculture practices.



Of the AMH activities, the malting process is the largest volume user of water.

Water is an increasingly precious resource and despite operating maltings in areas not currently impacted by water stress, it is beholden upon us to use water wisely.

Crisp Malt has implemented an Environmental Management Programme that has seen a significant decrease in water use associated with malting.

Most of our malting plants take water for steeping from private boreholes. Their effective treatment of steep effluent results in the discharge quality exceeding the stringent regulations laid down by national and local regulators.



Water usage is minimised by adopting two wet period steeping cycles and by not overfilling steep vessels.

We are evaluating new technologies that allow discharged steep water to be treated for re-use in the steeping process - and determining suitability for each malting site.

Water usage is currently <4.0m3/tonne of malt. We have set the targets of a 10% reduction in usage by 2027 from a 2018 baseline figure and 20% reduction by 2030.

#### **ACTIONS FOR 2023**



Create a water usage plan including water use reduction methods.



Evaluate available options for steep water re-use.



Work with other local water abstractors to develop sustainable abstraction management systems.



We send very little waste to landfill: just 50 tonnes in 2022, and by 2025 will we be sending zero waste to landfill. By 2040, we will produce zero avoidable waste.

*Reducing plastic* waste is a major challenge for the food industry and we have a particular conundrum to solve regarding supply of malt in 25kg polypropylene bags.

General site waste (e.g. paper and packaging) is segregated into dry recyclables; pallets are recycled back to suppliers for repair or alternative use; and oil and grease by-products are collected and recycled. All used electrical equipment is collected and sent for recycling as appropriate.

Recycling options are currently limited for polypropylene bags. We do see some re-use for spent grain disposal. Current alternative materials do not fully meet all the requirements for the safe and effective handling and storage of packaged malt.

On a more positive note, EDME uses paper bags for 25kg packaging and 100% of the co-products from our processes are re-used in the animal feed industry.

#### **ACTIONS FOR 2023**



Develop an action plan for alternatives to polypropylene.



Develop common Waste Management and Reporting Plans for all waste leaving AMH sites.



## LEADERS IN PRODUCT DEVELOPMENT

With our focus on natural, nutritious ingredients from locally sourced raw materials, we are ideally positioned to support consumer trends resulting from concerns about climate change.

Concerns around health, nutrition and the environment are seeing a huge boost in plant-based products. There is a quest for new ingredients in both the food and drink sector.

We carry out a range of cereal processing across our businesses.

The collective knowledge and expertise - gained over generations through work with growers, brewers, distillers, food manufacturers and animal feed specialists - gives us significant advantage in research and development. Our culture of curiosity



contributes to our achievements and supports our ambitions in the sphere of innovation.

As well as developing new ingredients by using different varieties of raw cereals and by using different production processes, we have to stay ahead of the game in terms of high-quality cereal availability.

The risks posed by climate change to the raw material supply chain are high on the agenda in our research activity, and development of our portfolio of malted, milled, flaked and torrefied cereals.

#### **ACTIONS FOR 2023**



Drive corporate innovation internally and externally with our pilot malting and brewery and with our bakery innovation centre.

Continue to support and sponsor research and collaboration across the supply chain - from innovation in cereal breeding to more effective use of our products by our customers.



Identify climate resilience risks and opportunities relating to raw materials in preparation for a Task Force on Climate Related Financial Disclosure (TCFD) gap analysis.



Our colleagues are our most important asset and need to be well supported. They need positive teams; sincere recognition; and a sense of community in the workplace.

Positive colleague wellbeing will support the business going forward and work to embrace business and environmental sustainability.

Our Values describe how we work together to achieve our Purpose.

Our production sites are embedded within local communities. Engagement and communication with local groups and supporting of local communities are key aspects of being the responsible business that we are.



#### **ACTIONS FOR 2023**



Set commitments for Equality, Diversity and Inclusion.



Develop a Health and Wellbeing plan.



Rollout Training and Talent Development plans.



Create an external community engagement strategy for all sites.

# 6 actions for 2023



HEADLINE GOAL	PRIMARY OBJECTIVE	ACTION A
A NET ZERO BUSINESS	• Become a Net Zero business by 2045	<ul> <li>Introduce a fully transparent carbon accounting process to est</li> <li>Commit to being accountable for our goals and achievements</li> <li>Evaluate role of renewable/alternative energy sources to provide</li> </ul>
WORKING WITH FARMS	<ul> <li>Develop carbon footprint for agricultural supply chain</li> <li>Develop risk assessment for climate change impacts on AMH</li> </ul>	<ul> <li>Establish the baseline carbon footprint of our ABC Grower Grower Grower Work with our growers to introduce best in class regenerative</li> </ul>
OPTIMISING WATER USAGE	<ul> <li>Reduce water consumption by 10% by 2027 and by 20% by 2030</li> </ul>	<ul> <li>Create a water usage plan including water use reduction meth</li> <li>Evaluate available options for steep water re-use</li> <li>Work with other local water abstractors to develop sustainable</li> </ul>
ZERO WASTE	<ul> <li>Achieve zero waste to landfill by 2025</li> <li>Zero avoidable waste by 2040</li> </ul>	<ul> <li>Continue to evaluate alternatives to polypropylene</li> <li>Develop common Waste Management and Reporting plans for</li> </ul>
LEADERS IN PRODUCT DEVELOPMENT	• Put considerations of sustainability at the heart of new product development, to help customers meet changing changing consumer needs and legislative goals.	<ul> <li>Drive corporate innovation internally and externally with our innovation centre</li> <li>Continue to support and sponsor research and collaboration a breeding through to improved utilisation of our products by ou</li> <li>Identify climate resilience risk and opportunities relating to ra Climate Related Financial Disclosure (TCFD) gap analysis</li> </ul>
AT THE HEART OF OUR COMMUNITIES	<ul> <li>Embed our Values through the business</li> <li>Increase external community engagement</li> </ul>	<ul> <li>Set commitments for Equality, Diversity and Inclusion</li> <li>Develop a Health and Wellbeing plan</li> <li>Roll out Training and Talent Development plans</li> <li>Create an External Community Engagement Strategy for all strategy for strategy for all strategy for str</li></ul>

### AREAS

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