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We preserve nature's precious gifts.



Business Commitment  
to the Environment



# 2013 UK Corporate Responsibility Report

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The entire food industry has had its challenges in 2012, with extreme weather events and fluctuations affecting commodity prices and crop yields falling significantly short in some areas.

It is the ability of organisations to adapt and be flexible in their operations that will enable them to flourish in times of adversity.

For example, early reports in 2012 were suggesting the British pea crop would be yielding as little as 45% of forecast, brought about by remarkably wet conditions throughout the sowing period which was further exacerbated by unseasonably hot weather during the harvest.

Certainly this did affect the crop for Ardo UK and partners Anglian Pea Growers, but through a combination of careful field management, flexibility during the harvest and our absolute focus on our customers, we have kept them supplied. This has come at a financial cost and we are relying on a normal or early harvest in 2013.

Still with the cloud of the global economic downturn well and truly casting its shadow across the entire food

## Key Achievements

Reducing lighting consumption in the cold storage facility by 795,656 kWhs.

A further 2.5% reduction in carbon emissions and significantly exceeding annual targets again.

Accident rates falling by over 40% in 2012.

A 12% reduction in electricity usage across all functions in the UK.

## Five Key Principles

1. Be a positive force in our community
2. Respect the environment
3. Source with integrity
4. Develop and market the healthiest frozen food
5. Be a great place to work

industry, it could be easy for companies to abandon their environmental schemes as an unnecessary hinderance or an additional cost.

Ardo UK and our parent company in Belgium recognise that the sort of issues experienced in product yields are a direct result of extreme weather conditions, possibly attributed to climate change. Further investment in these areas mean the long-term sustainability of a business, as well as the possibility of achieving financial savings. The company relies on the Earth to give us its resources and it is vital that the company invests in its long-term future.

2012 saw the recognition of the efforts of Ardo UK at a local level, by winning the prestigious Kent Excellence in Business



Award for Business Commitment to the Environment, fending off competition from hundreds of entries and triumphing over some of the largest and most recognised companies in the county.

Our environmental efforts are not carried out for recognition and reward however, as Ardo UK continues to invest in environmental initiatives throughout 2013, knowing that it is integral to the sustainability of the business. I look forward to sharing some of the successes of 2012 with you, because once again we have continued to deliver significant improvements across the entire spectrum of corporate and social responsibilities.



# Climate Change

**Climate change is a key concern for our planet. Ardo UK is focusing on this area to ensure that we are at the forefront of change within our industry and that we are stretching our targets to improve our performance.**

We recognise that there is not a single agreed format in terms of measurement. We have chosen (without prejudice) to use the carbon calculator from Climate Care, a recognised authority on carbon measurement.

Climate Care adhere to standards set by the World Wildlife Fund and The Climate Group. They have developed and improved their calculation model, which is reflected in our footprint calculation.

We will monitor the progress of national and international agreements on the method of measurement as well as taking advice from government.

## Performance Indicators

There has been a further 18% reduction in the carbon footprint of our products.

Direct emissions have dropped by 102 tonnes of carbon due to energy consumption improvements.

Company cars are emitting an average of 138g/km; a further 6% drop from the previous year and 16% below the company's target of 165g/km.

## Our Aims

Ensure that we use the most cost effective and environmentally friendly energy available.

Focus on cutting carbon emissions with the help of Climate Care.

Continue to enforce our company vehicle policy to ensure that all new company cars purchased emit 165g/km or less.

Our carbon footprint is measured on a yearly basis as an indicator of how much we have reduced our carbon emissions per tonne.



Since we consolidated the company to a single site at the beginning of 2010, we have seen significant reductions in energy use, road mileage and fuel consumption.



We are also committed to supporting WRAP's Courtauld 2 agreement which will continue to focus on

reducing packaging going into landfill, reducing food waste and driving down carbon emissions within the supply chain.



# Responsible Employer

Ardo UK tries to be the best employer possible to ensure that our people know their value, know the company's objectives and are recognised for their part in achieving these objectives. We aim to:



- Ensure that our staff feel that they are treated with respect, have a Manager or Supervisor who helps them, have an interesting job and have an opportunity to progress
- Trust and respect each other
- Do our best at all times
- Support each other and praise more than criticise
- Share knowledge
- Enjoy work, celebrate success
- Learn from experience



We emphasise the importance of self improvement and regular assessment to ensure that minimum standards are upheld at all times. This is supported by our tailored training programmes. To this end we have staff of the following longevity:

1 - 5 Years = 34  
6 - 20 Years = 68  
21 Years + = 17

**Ardo UK has continued our emphasis on training in the past year and this has been open to the entire UK workforce.**

1,882 hours of Ardo supported or instigated training has been delivered to employees in 2012 alone. That's an average of 15 hours per employee.

The number of people in our pension scheme is currently at 72%, against a UK private-sector average of 14%.

We have reduced our accident rate by over 40% in the last year. Our target of under 50 reported accidents has been hugely surpassed at just 26, even though we proactively encourage all employees to report accidents, regardless of the severity.

All our employees who have either been working at Ardo for one year or joined the pension scheme after three months are automatically given life cover of four times salary.

Ardo UK internal communications, newsletters, EDI orders, etc., are now distributed digitally to reduce paper usage.



# Responsible Trading

Ardo UK strives to ensure that customers and suppliers are happy to trade with us. Ardo has retained major customers such as Tesco, Sainsbury's, Waitrose and Aldi for over 15 years. We like to think that this is down to the high service levels we provide and the quality of our food and people.

We have also worked with a number of regular suppliers from around the world for over 20 years. The reason for these long-term partnerships is that we ensure that the suppliers are paid to terms, the terms are fair and that the workers are treated fairly and responsibly.



Having incredibly long trading relationships with our suppliers from across the globe has enabled us to work with them to improve safety and the welfare of their employees.

Ardo offers strong guidance on practices that are deemed irresponsible by our consumers and customers. These include fairness of pay, education levels, working conditions, ensuring that there is no child labour and provision of adequate facilities on the site.

In addition to this, we also support our trade body, The British Frozen Food Federation. Our directors are active within the Federation to ensure that we can influence the policy direction to benefit everyone.

## Performance Indicators

We have achieved our goal to have over 80% of our supplier base registered on the SEDEX system: SEDEX, the Supplier Ethical Data Exchange, is a membership organisation for businesses committed to continuous improvement of the ethical performance of their supply chains.

Amount of product air freighted 0%: we use road and sea freight which according to the Network for Transport and the Environment emits between 10% and 66% less CO<sub>2</sub> than air freight (Source: The Network for Transport and Environment. NTM is a non profit organisation, initiated in 1993 and aims at establishing a common base of values on how to calculate the environmental performance for various modes of transport).

Group BRC Global Standards for Food Safety or IFS approved factories: 100% = All 14 sites.

Number of emerging economies sourced from: 13 Countries (Guatemala, Peru, Chile, Argentina, Costa Rica, Kenya, China, India, Vietnam, Serbia, Poland, Morocco, Ecuador).

Where appropriate Ardo offers both advice and investment to suppliers from emerging economies to help to develop their business with our Group; for example our investment in India enabled a fruit processor to successfully supply to Ardo's strict requirements.

We are proud to foster new relationships with British producers.

Our partnership with Anglian Pea Growers meant that we rescued a farming tradition that had lasted for half a century, and our work with several British soft fruit suppliers brings a new route to market for these local suppliers.





Ardo UK and staff continue to have strong local links with Kent and the South-East and it is our aim to continue to support our neighbours and wider community.

Since moving to the site over ten years ago, Ardo UK has continued to develop a close relationship with our

neighbours and local businesses. We source 16% of products from Kent as a percentage of total UK purchases, and 34% in total from the UK – good news for the local economy given the recent economic challenges.

Ardo UK is active in the local community. Thanks to our neighbours and government bodies, we have successfully completed our new, highly efficient state of the art factory and additional cold store space.

### Performance Indicators

Winning the prestigious Kent Excellence in Business Award for Business Commitment to the Environment.

We are actively marketing British products such as peas, raspberries and Bramley apples.



**Ardo's beliefs are that safety comes first and healthy, tasty, nutritious food is what people demand.**

We develop our products using ingredients that can be commonly found in domestic cupboards.

Our food is grown with the minimum of pesticides and Ardo proactively manages a programme to reduce these further.



We help people to make healthy choices through our use of information on packaging.

Ardo UK is able to supply produce of organic origin, as well as other farming and production schemes such as Red Tractor, LEAF, etc.

We support the Government's 5 a Day programme to increase the amount of vegetables and fruit that people eat every day, as well as backing the new Public Health Responsibility Deal. We involve ourselves in any relevant government consultations that are relevant to our business and industry.

# Community & Health



# ∞ Waste & Packaging

Ardo is constantly reviewing the amount and type of packaging used on our products. We also try to support consumer demands in terms of the environment and practical function. Our key focus is to:

- Minimise packaging waste
- Use the most environmentally sound materials available at the time
- Minimise packaging used around the product
- Minimise printed material both internally and externally
- Maximise the potential of digital technologies to reduce paper usage
- Innovate in waste management practices to reduce impact and cost



## Performance Indicators

- We are currently supporting both the Courtauld Commitment areas (1 and 2) with a number of our retail customers. This is an agreement to reduce the amount of waste going to landfill sites, and from March 2010 to focus on reducing the amount of energy and water used in the supply chain.  
Web site: [www.wrap.org.uk](http://www.wrap.org.uk).
- The key signatories have all set their own targets in terms of packaging waste reduction.
- As a result, Ardo UK will help these customers to meet the targets through packaging and packing technology to help stop the growth of landfill sites.
- Continually increasing the use of social media platforms to communicate directly with customers and reducing the amount of paper printed.
- Packaging developments in 2012 included weight reductions in retail packs as well as significant and ongoing improvements in cardboard usage.



# Our Stakeholders

Stakeholder Group	Interaction with Ardo	Stakeholder Expectations	Link to Ardo CSR
Our Neighbours	Private label, lorries, staff, supply of local goods and services	Communicative and considerate, safe and subtle, a good neighbour	Local roads, shops, schools, people, factory impact, current operational effects
Consumers	Ardo brand, private label	Safe, healthy, high quality, ethically sound product delivered to them with the least impact on the environment	Eating healthily, climate change, waste packaging and recycling
Customers	Take branded and private label products, agree distribution deals, agree ingredients to new products	Safe, healthy, high quality, ethically sound product delivered to them with the least impact on the environment	Eating healthily, climate change, waste packaging and recycling
Government	Direct and indirect taxes. Complying with rules and regulations. Developing the skills of the workforce. Positive action on community and the environment	Strict compliance with legislation, providing stable and family friendly employment, good training and paying all relevant taxes	Being a Good Employer, community plan, waste packaging & recycling, climate change
Investors	Family owned company, so daily contact at maximum	Manage the company as efficiently as possible, support customer strategies, minimise environmental impact	Link back to Ardo group
Employees	Presentation of activities and priorities. Consultation on new policies and projects through the Works Council. Joint working and financial support on shared initiatives	Leadership approach to Corporate Responsibility, clear policies and principles, reliable reporting, transparent communications and interaction	Climate change, waste, packaging and recycling
Suppliers	Direct commercial relationships with suppliers of food products around the world. Indirect commercial relationships via third party processors and manufacturers	To lead our suppliers in our expectations of corporate responsibility, clear policies and principles. Updating the policies where necessary	Ethical trade and developing countries, waste and packaging recycling, climate change



Sector	KPI	Target	2007 (Benchmark)	2011	2012	Change PY 5Y
Community	<b>Vehicle mileage reduction</b>	Reduce milage travelled by Ardo vehicles on a yearly basis.	0	142,583	0	
	<b>Local Sourcing</b>	Increase our local purchases.	£1,444,182	£2,500,898	£2,392,665	-4% 66%
	<b>Carbon Footprint tonnes of CO<sub>2</sub>/year</b>	Reduce over the previous year	3,878	2,127	2,024	-5% -48%
Climate Change	<b>kg of carbon dioxide per tonne of product sold in the UK</b>	To reduce our carbon emissions per tonne of product sold by 5% year on year.	76	49	40	-18% -47%
	<b>Car policy</b>	Reduce our average CO <sub>2</sub> emissions from our UK company car fleet to below 165 by the end of 2010. Measured in g per km.	155	147	138	-6% -11%
	<b>Total Accidents</b>	Reduce these down year on year through investment in training, safer working conditions and protective clothing.	55	44	26	-41% -53%
Responsible Employer	<b>Total employees</b>	Including full and part time, but excluding agency staff	190	128	126	
	<b>Number in the pension policy</b>	Number of staff actively participating in the Ardo UK pension scheme	114	95	91	-4% -20%
	<b>Percentage of employees in the pension scheme</b>	Target of 65% by 2011	60%	74%	72%	-3% 20%
Responsible Trading	<b>Death in service benefit - employees covered - 4 x salary</b>	Continue to reach 100% on all those employees who have been with the company for 12 months or have joined the pension scheme after 3 months.	100%	100%	100%	
	<b>Air freighted product</b>	Our policy is to avoid air freighting and focus on high efficiency shipping and articulated lorry to minimise emissions.	0%	0%	0%	
	<b>Number of Ardo group factories approved by the BRC/IFS</b>	Aim to have 100% by 2012. Currently all 14 owned sites are approved at the highest level.	86%	100%	100%	0% 17%



# Carbon Footprint

We use carefully selected partners for our deliveries, which all have their own corporate and social responsibility documents, as well as carbon footprint measurements.

This is a 4% reduction, mainly because of the large improvements in lighting costs due to the LED lighting installation in the cold store late in the year. The true effect will be felt next year with even greater savings.



## CO2 Emissions report generated from Climate Care

### Reporting Period

from 01/01/2012  
to 31/12/2012

### Office Energy ( 2024.26 tonnes )

office energy CO2 2024.26 tonnes

### Company Travel Mileage ( 47.04 tonnes )

company cars CO2 47.04 tonnes

### Freight ( 0 tonnes )

road freight CO2 0 tonnes  
air freight CO2 0 tonnes  
sea freight CO2 0 tonnes

### Extra carbon ( 0 tonnes )

Extra carbon CO2: 0 tonnes

### Summary Emissions Results ( 2071.3 tonnes )

company name Ardo UK Ltd  
contact e-mail info@ardouk.com  
your total emissions are **2071.3 tonnes**

This measurement was not included in previous years, due to a marginally different calculation model. With this addition, Ardo UK has still shown a reduced carbon footprint.

Even with a new calculation model, and the addition of company car mileage, we have managed to further reduce our carbon footprint by 5% in a single year. This is a reduction of almost 50% in the last five years.





### Who Grew my Peas?

Find out more about how Ardo are using Digital Technology and Social Media to reduce paper usage and connect with more customers

Website: [www.whogrewmypeas.co.uk](http://www.whogrewmypeas.co.uk)

Twitter: [@whogrewmypeas](https://twitter.com/whogrewmypeas)



Facebook: Like "Who Grew my Peas"



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We preserve nature's precious gifts.

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**frozen - fruit • vegetables • pasta • rice**  
**frozen - cold storage, consolidation and distribution service**

