

Change

CORPORATE RESPONSIBILITY ACTIONS AND COMMITMENTS



Facts about Turkey

- Turkey is a healthy meat, high in protein
- Turkey breast is low in fat, and saturated fat, and full of essential vitamins and minerals*
- Turkey is increasingly finding favour with nutritionists as a healthy option
- Turkey is great tasting, versatile and excellent value for money

100g grilled turkey breast meat without skin contains just 155 calories and 1.7g fat. Compared with other meats, turkey breast also has one of the lowest saturated fat levels at less than 1g per 100g.**

Turkey contains 34g of protein per 100g, nearly 3/4 of an adult's recommended daily intake, and offers as much protein as roast beef but without the levels of fat or calories.**

* National Diet and Nutrition Survey (2010)

** Source "Royal Society of Chemistry nutrient database"



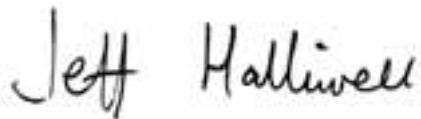
Bernard Matthews Farms – helping contribute to the nation’s well-being

For 60 years we have been focussed on growing and developing a business with turkey at its heart. In doing so we have gone on to become a major farmer, food producer, employer and contributor to the UK economy.

We’re proud of what we have achieved, and inspired by what we still want to accomplish. But at the heart of what has become a sophisticated business is a simple truth – turkey is a great meat.

In a world challenged by issues of health, obesity and food security, turkey has an ever more important role to play in the nation’s diet as a important protein provider. So as the ‘Turkey People’ we will continue to take every opportunity to champion the benefits of this healthy meat, and seek to make turkey the preferred meat in many of the nations everyday favourite meals.

We hope you enjoy reading this overview of how we operate and manage our turkey business responsibly.

A handwritten signature in black ink that reads "Jeff Halliwell". The signature is written in a cursive, slightly slanted style.

UK Managing Director

Corporate Responsibility

At Bernard Matthews Farms we understand that our future success is all about making great tasting turkey products, but doing so in a way that supports a sustainable future for the environment, our community and our business.

To ensure this happens we have set out some clear goals to help guide us:

Working with nature's resources to

- Maintain and protect our environment
- Support the best of British farming

Working with our community to

- Educate people about food and in particular turkey
- Inspire people in our local community
- Support our employees

These goals come with a high degree of challenge but we are committed to tackling these challenges. Over the next few pages we set out the ways in which we are delivering against these goals, our achievements to date and the key projects we have underway. Where we can, we have provided targets, measurements and timescales for the future actions we want to take. One of our key strategic influences has been the Government's vision for a sustainable and secure food system for 2030 of which we are fully supportive.

We are not complacent and know there is a lot more to do, which is why we have committed to reviewing and reporting on our progress every year.



Animal welfare

Knowing where their food comes from and how our turkeys have been reared are important issues. We want our customers to buy with confidence and peace of mind.

We are turkey farmers at heart, and so care passionately about our birds. Our welfare and food standards are very high and all our farms have UK and European accreditations recognising our efforts. 20% of our farmers have worked for the company for over 20 years meaning our turkeys are monitored and looked after by some of the most experienced people in the business.

We are:

- Quality British Turkey and Farm Assured (Red Tractor) certified. This means that we undergo rigorous inspection, against more than 200 criteria, by an independent auditing body at all sites where our turkeys are reared or prepared, providing consumers with a guarantee that our turkey is farmed to high standards of animal welfare, food safety and traceability
- Open to inspections at any time by DEFRA, the RSPCA, independent welfare bodies and representatives of major UK supermarkets
- Ensuring all our indoor and free range turkeys are farmed in line with DEFRA codes of recommendation and the Farm and Animal Welfare Council's 5 Freedoms
- Rearing 100% British turkey. All our turkeys are hatched in Norfolk and reared on our own farms across Norfolk, Suffolk and Lincolnshire. We also prepare most of their food locally at our own mill near Kings Lynn, of which the majority is wheat grown in East Anglia
- One of the UK's largest free range turkey farmers following our purchase of Lincs Turkeys
- Providing both indoor and free-range turkey to a number of UK retailers throughout the year
- Rearing free range turkeys under the Freedom Food Scheme for a number of UK major retailers at Christmas
- Committed to the health and well being of all our birds through high standards of hygiene, husbandry and a nutritional cereal based diet
- Open and transparent with regards to our welfare and agricultural practices, providing informative marketing material and product labelling for our consumers, customers and the general public

In 2009 we reared over 200,000 free range turkeys



We're working on:

- Driving innovation, best practice, and taking a leading role, in further developing turkey husbandry, feed, environment and welfare with on-going research and development across all aspects of our farming
- Exploring ways of enriching our turkeys' environment to encourage more natural behaviour by including toys for the turkeys to play with, and perches and straw bales for them to stand on. We already use these on some of our farms, but aim to increase this to 100% of our rearing farms by the end of 2010
- Increasing the proportion of accredited turkey flocks we farm for those consumers who actively choose and can afford to pay for welfare standards like free range and Freedom Food



Climate change

There are many different views about the size and scale of climate change, but we all have a part to play in protecting and preserving the environment, from our own gardens, to our local towns and cities, to the ozone layer.

As a business we know we have a responsibility to play our part in helping manage climate change. To this end we are committed to managing our carbon footprint, reducing our energy usage and exploring renewable energy.

We've planted over 5 km of hedgerows and 200,000 trees providing habitats for local wildlife and helping to absorb unwanted CO₂ from the air

We are:

- One of the few UK poultry companies to be awarded the ISO 14001 accreditation, recognising the excellent environmental management systems within and around our factories
- Planting trees and hedgerows in and around our farmland throughout East Anglia to help safeguard the habitat of our local wildlife, re-generate the landscape and reduce any visual impact our farm and factory buildings may have
- Working with the Farm Woodland Premium Scheme. We have planted 385 acres of woodland across our farms and community areas since 1992, helping to absorb unwanted CO₂. 'Each tree planted 'offsets' your environmental impact by 'breathing' in about 1 tonne of CO₂ emissions over its lifetime of 100 years' Source Carbon Footprint.
- Providing and developing green areas of natural woodland owned by the company to be used and enjoyed by the local community e.g. Poppy's Wood in Norfolk
- Reducing primary energy (electricity, gas, oil, LPG) within our factories. Last year we reduced our CO₂ per tonne of product output by 22%

We're working on:

- The development of a number of small wind farms, at appropriate sites across Norfolk and Suffolk. This scheme could generate up to 49% of our electricity requirements
- Investing in more ways to generate energy from waste. At the moment we send approximately one third of our used turkey litter to a local power station to produce electricity, enough to fuel approximately 5,000 homes for a year
- Putting in energy investment systems so we can monitor and reduce wastage
- Finding new efficiencies and technologies across production and farming



Community Life

All around the region, people give up their time and energy volunteering for charities, supporting local causes and helping others. All these groups need a little extra support from time to time. That's why as a local business we've been actively supporting local initiatives for over 50 years.

Young people have always formed a big part of Bernard Matthews Farms' community work. To continue to support and encourage young people we have developed a series of initiatives and projects.

It's been hugely rewarding and we're always looking at new projects to get involved with.

We are:

- Proud to have launched the Bernard Matthews Youth Awards in 2008 to recognise and reward the outstanding talent and community spirit that exists in the young people of Norfolk and Suffolk
- Educating young people on the employment opportunities within the food industry at graduate and career fairs, local country shows, via our website and also as part of our School Partnership programme
- Supporting and sponsoring the Caister Volunteer Lifeboat Service enabling them to buy two lifeboats, the only offshore lifeboat service in the UK run independently from the RNLI
- Providing and sponsoring educational facilities for a number of local schools, including assisting Reepham High School, Norfolk, a specialist Food Technology College
- Promoting the county of Norfolk by financing the road signs that welcome visitors to our county
- Founder Charter members of the Duke of Edinburgh Scheme, supporting this charity for over 15 years. In the last 5 years we have given nearly £500,000 towards their worthwhile work

We've been supporting local charities and initiatives for over 50 years!



We're working on:

- The Bernard Matthews Fund, in conjunction with the Norfolk Community Foundation, to create a fund of £150,000, by 2011, to support a wide range of local and rural charitable and community causes throughout Norfolk, North Suffolk and Lincolnshire
- The Bernard Matthews Youth Awards, to continue to provide recognition and support for the young people of our community in 2010 and beyond
- Encouraging employee participation and awareness of the DofE Awards through fundraising and scheme support



Food education

In today's busy world many people squeeze food into their day, eating on the go and rushing round the supermarket at the weekend with children in tow. Food is just another commodity – and that's a real shame. That's why we're working hard to educate and change that with a number of initiatives and programmes to get people excited about food again. Our goal is to educate children and the wider community about food, in particular turkey, covering all aspects from 'farm to fork', including farming techniques, standards, diet and nutrition. We also want to show how eating certain foods such as turkey, can play a part in helping people stay healthier.

But we don't just want our community to know about their food, we want them to enjoy it, and so we're also working towards improving cooking skills, as well as knowledge and appreciation of local produce.

We are:

- Running programmes to educate and inspire people of all ages about food and turkey:

'Farm to Fork' Turkey Education Programme: Teaching children and adults about the journey our turkeys take from 'farm to fork'. During our 2008–2009 web and local event programme, we have reached over 5000 local children

'Foodies' Primary School Initiative: To launch January 2011, 'Foodies' is an educational initiative aimed to bring cooking back into the classroom and home. By the end of 2011 we will have reached 15 primary schools across Norfolk and Suffolk – that's over 2000 children

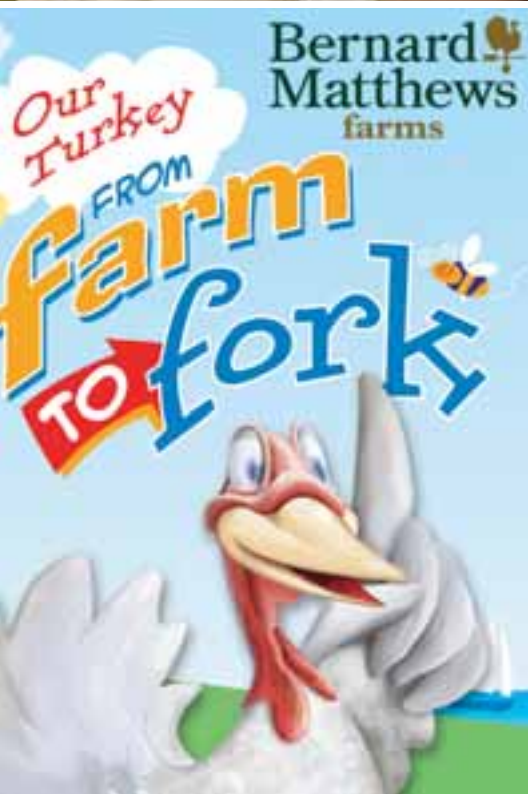
- Attending local country shows such as the Royal Norfolk Show, which attracts over 90,000 visitors. Our stand aims to engage and educate the local community about our turkeys, how they are reared, about turkey's low fat, high protein benefits and about how tasty it is
- Forming partnerships with schools and businesses. Our long-standing working relationship with our local high school has been recognised by a School and Business Partnership Award and the Learning Partnership Group
- Supporting and promoting local food initiatives such as sponsoring the Eastern Daily Press Food Awards

**We've reached
over 7,000 children
this year with
our educational
initiatives**



We're working on:

- Expanding our 'Foodies' Primary School Initiative. We aim to reach a quarter of all primary schools in Norfolk, with our Foodies programme by the end of 2012
- Promoting and communicating our 'Farm to Fork' Education Programme to a wider national audience
- Widening the scope of our School & Business Partnerships including the incorporation of school visits and farm trips in partnership with organisations such as Farm and Countryside Education (FACE)



Our people

People are what make our business – over 2,000 of them. From the farmers breeding and rearing our turkeys to the lorry drivers delivering our products across the UK we take staff welfare very seriously, and it shows. 13% of employees have worked for us for more than 20 years and 34% for more than 10 years – it's something we're enormously proud of.

We are one of the largest employers within the East Anglia region and seek to work with local suppliers wherever we can. As such we make a considerable contribution to the local economy boosting communities, businesses and amenities.

We are:

- Major agricultural employers with over 300 people on our agricultural team, farms, hatchery and feed mill across Norfolk, Suffolk and Lincolnshire. As farmers at heart, we passionately support agriculture and so we offer our time, skills, knowledge and experience to make a difference to local agriculture, ensuring the region's future as a strong farming community
- Regularly celebrating employee loyalty with our 25 years Long Service Awards – in the last 5 years 180 people have been presented with this award
- Pleased to be recognised by the Equality & Human Rights Commission as an 'employer of choice' for agency workers in the meat processing industry and for our work to develop an inclusive workforce
- Providing relevant training and development for all our employees, which includes in-house training for processing, health and safety, food safety, hygiene and our de-boning butchery training, which is the best in the industry
- Offering an open and diverse work place. We have strong links with Portugal, where we recruit part time, full time and seasonal workers. As a result we have some of the highest standards in the industry for overseas worker equality, delivered through our equal pay and opportunities programme and the support we offer to help integrate overseas workers into the wider community
- Recognised as 'being positive about disabled people' - this was awarded by Job Centre Plus to acknowledge employers who have agreed to meet five commitments regarding the recruitment, employment, retention and career development of people with disabilities
- Continually building stronger relationships with Trade Unions and employee representatives to ensure we effectively engage our employees

**More than 11%
of our farmers
have worked
with us for over
30 years**



We're working on:

- Establishing a poultry processing qualification for our business and for industry use, in partnership with IMPROVE (Food and Drink Sector Skills Council) and the British Poultry Council, which will incorporate health and safety, hygiene and practical processing line skills
- Creating a Business Leadership programme to support and improve the strategic and communications skills of the next generation of senior management within the company
- Bringing the new company values, which have been developed by the staff, to every part of the working environment

A man with short grey hair and glasses, wearing a blue and white plaid shirt, blue jeans, and green rubber boots, is sitting in a field of tall grass. He is holding a white sign with green text. The background shows a line of trees under a clear sky.

**“I’m proud
to work at
Bernard
Matthews
Farms.”**

Packaging

Remember your three 'R's? Well there are three new ones now. Reduce, Reuse, Recycle! With growing concern over landfill and supply of raw materials, we've been putting the three 'R's into practice when designing, sourcing and producing our packaging.

In fact, we've been doing this for decades and have continually focused on reducing our packaging to the minimum. Making simple changes, such as using labels instead of sleeves on our products, have a big impact and our packaging will keep evolving as recycling technology improves.

We are:

- Reducing the packaging across all our ranges. In 2008 this has saved 327 tonnes of plastic and 60 tonnes of paper
- Using recycled and sustainable materials, such as the paper and board for our labels and cartons which all comes exclusively from fully accredited sustainable sources
- Reducing packaging waste in our production sites. We've already reduced cooked meats packaging plastic waste by 27% - which is around 1320 m² of plastic material each week!
- Minimising packaging waste in our supply chain. This includes using bulk bags rather than individual bags for ingredients, which has reduced plastic usage by 55%
- Already using 2000 tonnes of recycled material across our product range with more planned for the end of 2010

Changing the design of our cooked meat packaging has enabled us to save 327 tonnes of plastic – that's the equivalent weight of two jumbo jets!

We're working on:

- Reducing our packaging even further by
 - Exploring the use of flexible packaging across our cooked meats, which could save 60% more plastic by the end of 2010
 - Minimising the number of labels by 50% across our cooked meats range, saving 40 tonnes of paper and card each year by the end of 2010
- Sourcing and buying materials wherever possible that:
 - Come from sustainable sources
 - Are made responsibly and locally with minimum environmental impact
- Encouraging and working with our packaging suppliers to increase the amount of recycled materials used in our packaging to an extra 400 tonnes per year by the end of 2010



Sourcing

Keeping it local and British. It's a simple idea that we've taken to heart. It's obvious really, when you look carefully at East Anglia – one of the country's richest agricultural regions – by making the most of what's on our doorstep and working, where possible, with other British suppliers we can make great foods that benefit everyone. We support local businesses wherever possible and, because much of what we use to make our turkey products is so close by, our food miles are some of the lowest in the food industry.

Most importantly we keep a close eye on every single stage of production – from farm to fork. So our customers can be confident about what they're buying.

We have used over 1.6M tonnes of local wheat in the last decade to feed our turkeys – that's more than the weight of 110,000 combine harvesters!

We are:

- Able to trace every stage of the journey our turkeys take, from where the eggs are laid and hatched, to the farm they are reared on
- Making all our Bernard Matthews Farms products from 100% British turkey
- Feeding our turkeys on a nutritious cereal-based diet, a high proportion of which is wheat. We source around 130,000 tonnes of wheat per year grown in East Anglia – the "Grain bowl of Britain"
- Continuing to source and support local businesses wherever possible, like our Norfolk wheat farmers, some of whom have been working with us for over five decades
- Actively seeking suppliers that have good environmental management systems in place, such as ISO14000

We're working on:

- Implementing an ethical business accreditation scheme, utilising the Supplier Ethical Data Exchange (Sedex) across our business supply chain by the end of 2010. This will ensure we work with our suppliers and their agents to actively manage key ethical issues that have an impact on all our businesses



Wheat grown by Jeremy Mason, Sporle Farm, Norfolk. Family owned business who have supplied Bernard Matthews Farms with locally grown wheat for over three decades.

Transport & logistics

We all need to travel, whether it's going to work, picking the kids up from school or just doing the weekly shop. At Bernard Matthews Farms, transport and travel is a big part of our business and we've been working hard to find ways of doing this more efficiently.

Concentrating on how we load our lorries, the way we distribute our food and even the way our lorries are driven have helped us make some significant changes to our mileage. And, saving miles is good for everyone, including our customers and the environment.

We are:

- Delivering frozen foods direct to key customers from our in-house storage facility rather than via a central distribution centre, removing 310,000 food miles in 2008
- Keeping our food miles as low as possible with:
 - 100% of our Bernard Matthews Farms turkey coming from our own farms in East Anglia
 - Sourcing the majority of our turkey feed, wheat, in East Anglia
 - Locating all our production sites in Norfolk and Suffolk
- Storing more of our frozen product in our own Suffolk coldstore rather than transporting externally for storage. This both optimises energy and has saved 1000 lorry journeys per year.

We're working on:

- Cutting lorry journeys to save an additional 150,000 food miles by the end of 2011
- Reducing the time our lorries are inactive from 28% to 15% by the end of 2010, which will mean a reduction in the size of our lorry fleet
- Saving an additional 35,000 food miles a year, by transporting the maximum finished product we can in each journey by mid 2010
- Introducing special Telematic software into our delivery vehicles to identify inefficient driving styles. This is expected to lead to a 5–10% reduction in fuel, which equates to up to 85,000 litres a year
- Saving 10% of our electricity usage by increasing the efficiency of our refrigeration. This equals 300,000KwH by the end of 2010, and we're working with BFFF and the Carbon Trust to achieve our target

We saved enough miles in 2008 to go around the world 12 times!





SCANIA

BRIER

VECTUM



Bernard Matthews
farms

VUE 12F

Water and waste

We recycled over 548 tonnes of paper last year – which is the equivalent weight of 57,684,210 pound coins!



With climate change and pressure on natural resources, you won't be surprised to find that water and waste are central topics in our sustainability agenda.

These issues are driving ongoing change in our business. We've been targeting our water usage and how we deal with waste of all sorts – from plastic to turkey litter. Putting procedures in place and getting staff to change their habits is important to us and makes good business sense; saving money and minimising our effect on the environment as well.

We are:

- Recycling all paper and cardboard in our factories and offices. 548 tonnes was recycled last year
- Reusing all our turkey litter – over a third is sent to power stations to produce electricity and the remaining litter is spread on farmland across Norfolk and Suffolk. Turkey litter is naturally a good organic binder for sandy soil such as that found in East Anglia
- Filtering all our used water on our production sites before releasing it back into the waterways, equating to 732,794 m³ per year
- Increasingly using natural ways of filtering water, such as the use of reed beds which filtered around 12,000 m³ of used and surface water from our mill and Norfolk production site last year
- Supporting the Love Food Hate Waste campaign run by the local county council

We're working on:

- Reducing the use of water across our factories. This has already decreased across our production sites by 10% in the last 2 years
- Exploring methods of filtrating water for example at our Holton production site, where water is used from local supply, a potential 270,000 m³ water a year could be reused as drinkable water
- Working towards a zero to landfill policy by 2012 which will save 2679 tonnes of waste per year



A final thought. The Turkey People – creating health, wealth and value

