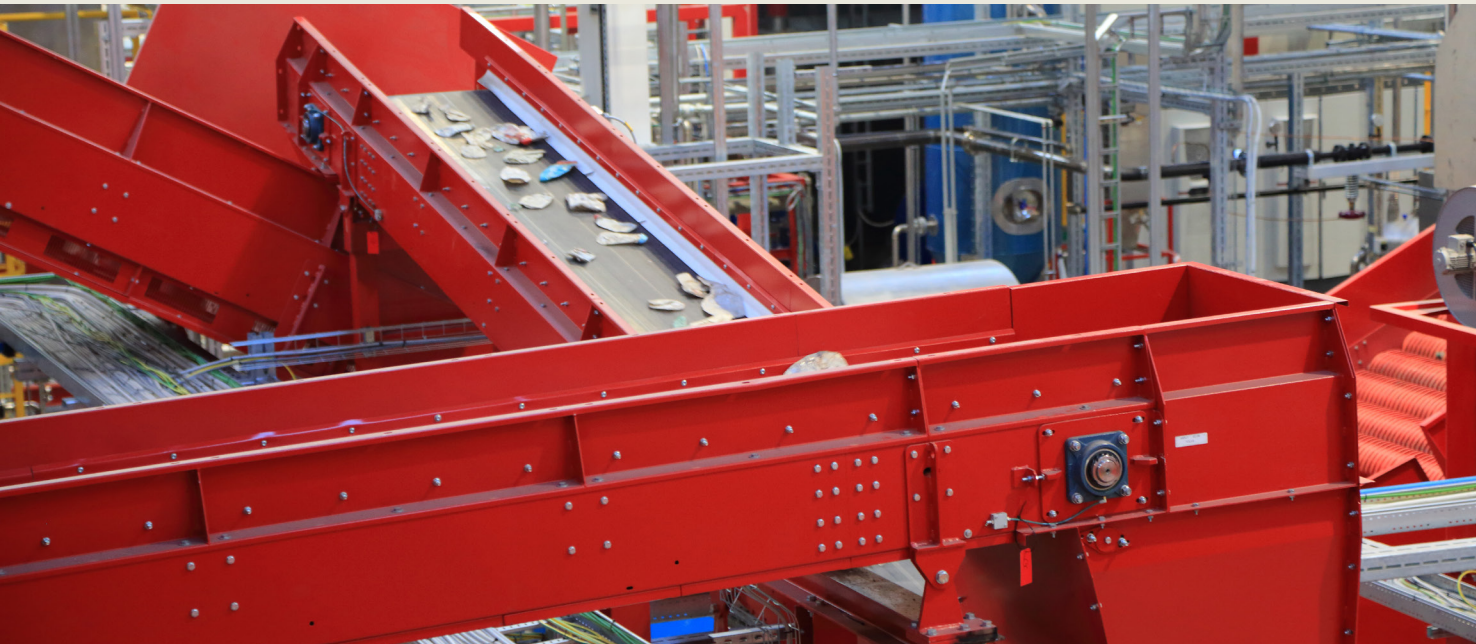


RESOURCEFUL, RESPONSIBLE





# Chief Executive Introduction

## Changing the way people think about waste

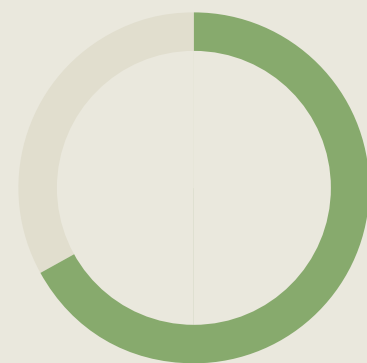
It has been quite a year since we published our sustainability strategy, 'Resourceful, Responsible', in March 2020 I have no doubt that a year on, we have already made a big difference.

**Michael Topham**  
Chief Executive Officer



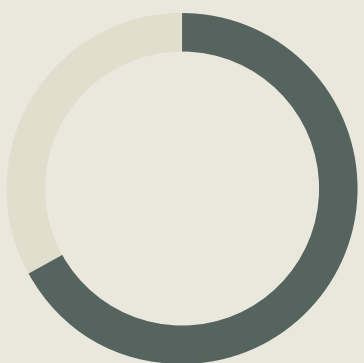
We are currently on track to meet 75% of our sustainability strategy targets by 2025. The remaining 25% require further intervention to help us get back on track, which we will be addressing in the coming year. And we've unlocked £1bn of our £1.25bn investment in UK green economy infrastructure.

### Building a circular economy



**67%**  
**on track**

### Tackling climate change



**67%**  
**on track**

### Caring for our people, supporting our communities



**88%**  
**on track**

We have an ambitious plan and we are getting on with delivering it. In spite of the challenges the Covid-19 pandemic has brought over the last year we have accelerated our sustainability programme with meaningful delivery across a range of areas. Highlights include our investments across our newly defined four areas of focus Reduce, Recycle, Recover and Collect. See page 3 for more details.

## Hero to zero

Our investments will ensure that we continue to help our customers to manage their waste as effectively as possible, helping them to meet their own sustainability commitments.

It also helps us to meet ours; by moving our activities ever further up the waste hierarchy we continue to reduce the carbon intensity of our business.

## Doing it right

We are pleased with the progress we have made in transforming our business and are grateful for the support of our investors and lenders in providing us with the financial firepower to make it happen. But it all counts for nothing if we don't run our business in the right way.

We must operate a business that keeps its people and everyone around it safe, that provides an engaging place of work that is inclusive and pays fairly, and as a consequence becomes more diverse. We must be good neighbours to our local community residents. If not done right, our business can be noisy, unsightly, smelly and messy; we must set the highest standards for ourselves and our industry. And we must always be one step ahead of the organised crime of modern slavery.

We have committed significant resource and headspace to these issues in the last year and have made great improvements. But in all of these areas we are not complacent and must do more. That is what 'Resourceful, Responsible' commits us to and that is what we will do.

## Thank you

I hope that you find this report informative and interesting. We welcome your feedback and you can contact us via email at [sustainability@biffa.co.uk](mailto:sustainability@biffa.co.uk). We also have a full report available on our website [www.biffa.co.uk/sustainability](http://www.biffa.co.uk/sustainability) which includes detailed data for each of our targets under our three pillars.

The collaboration between customers, suppliers, regulators, investors, lenders, communities and of course colleagues has been extraordinary. Without it we would not have been able to accomplish so much.

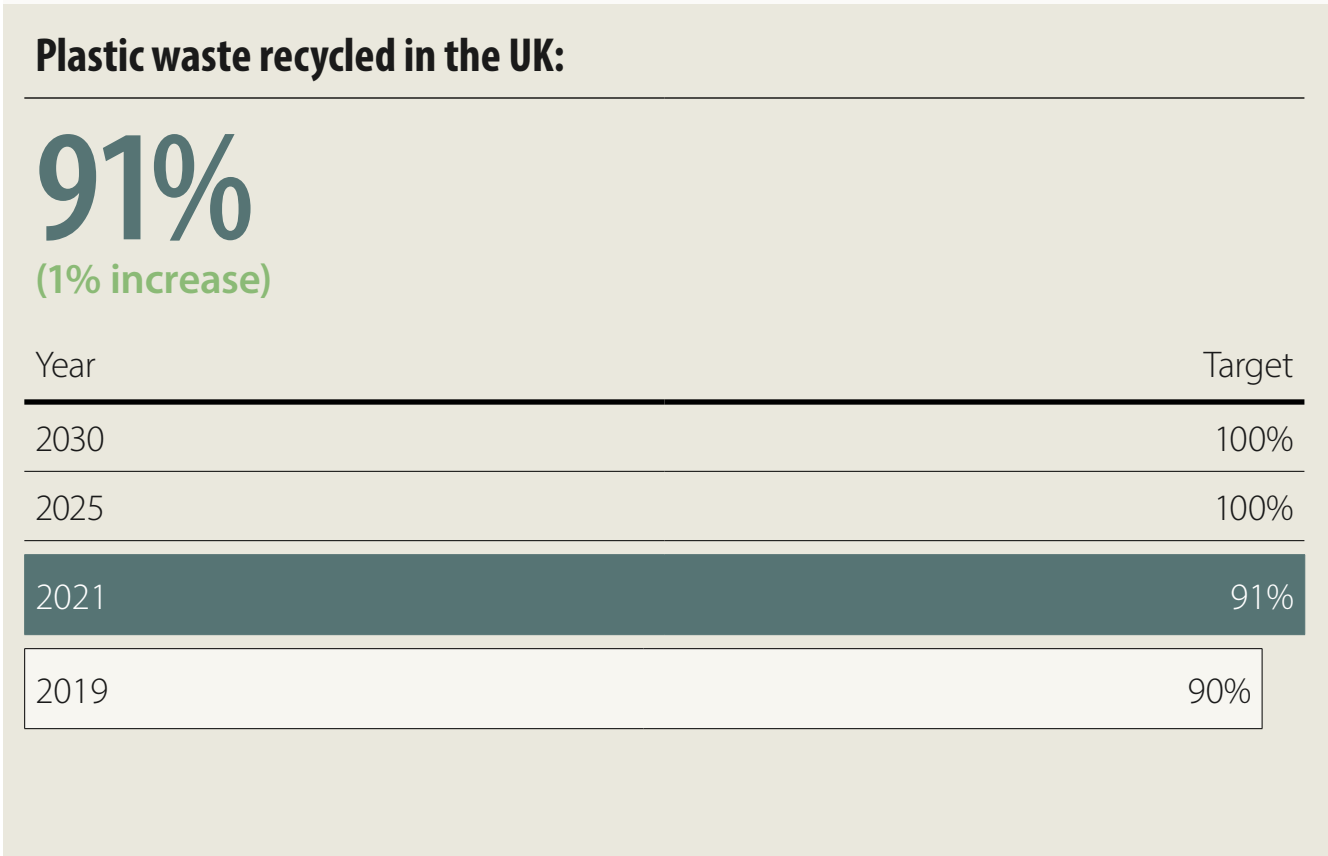
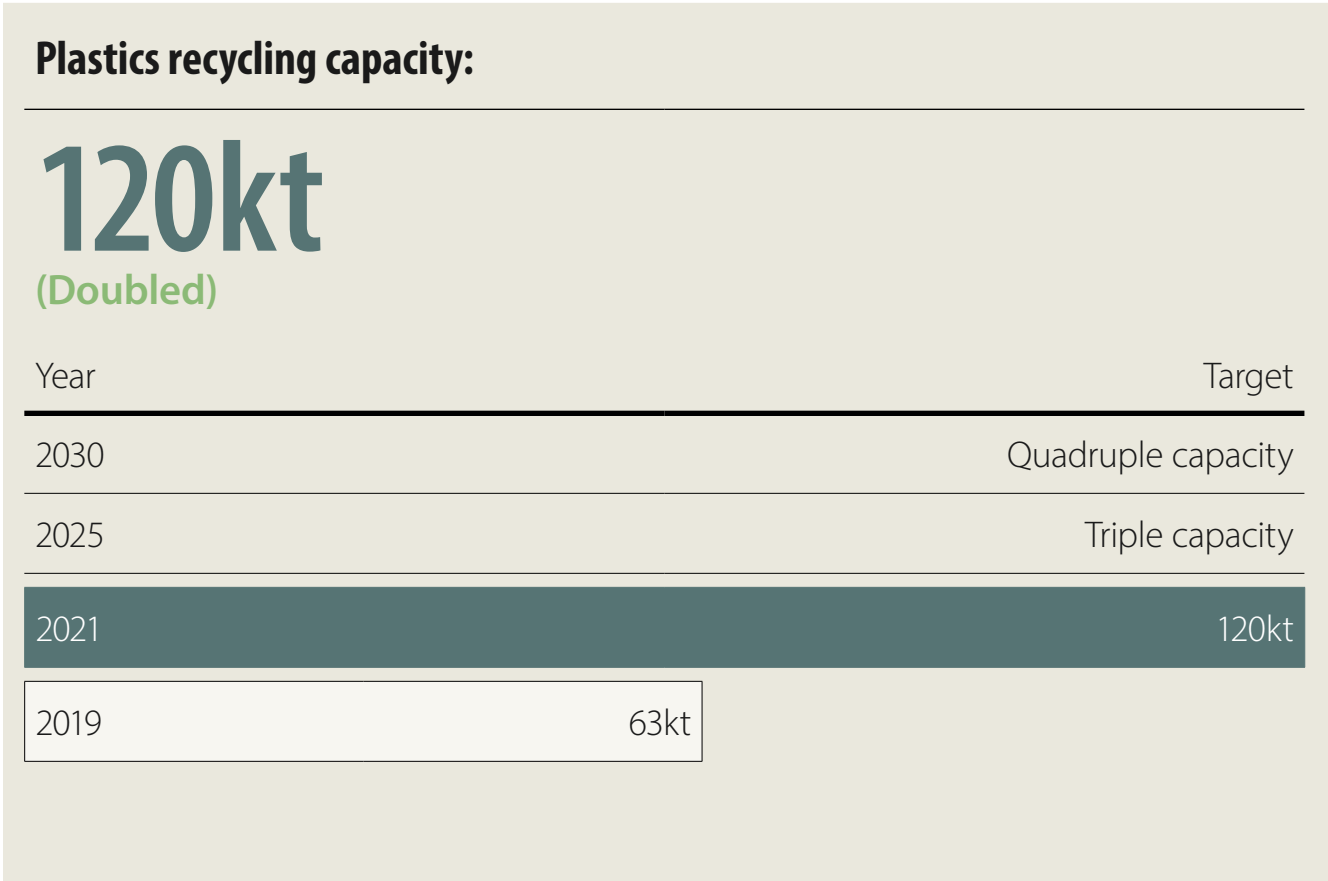
Thank you.

**"In spite of the challenges the Covid-19 pandemic has brought over the last year, we have accelerated our sustainability programme with meaningful delivery across a range of areas."**

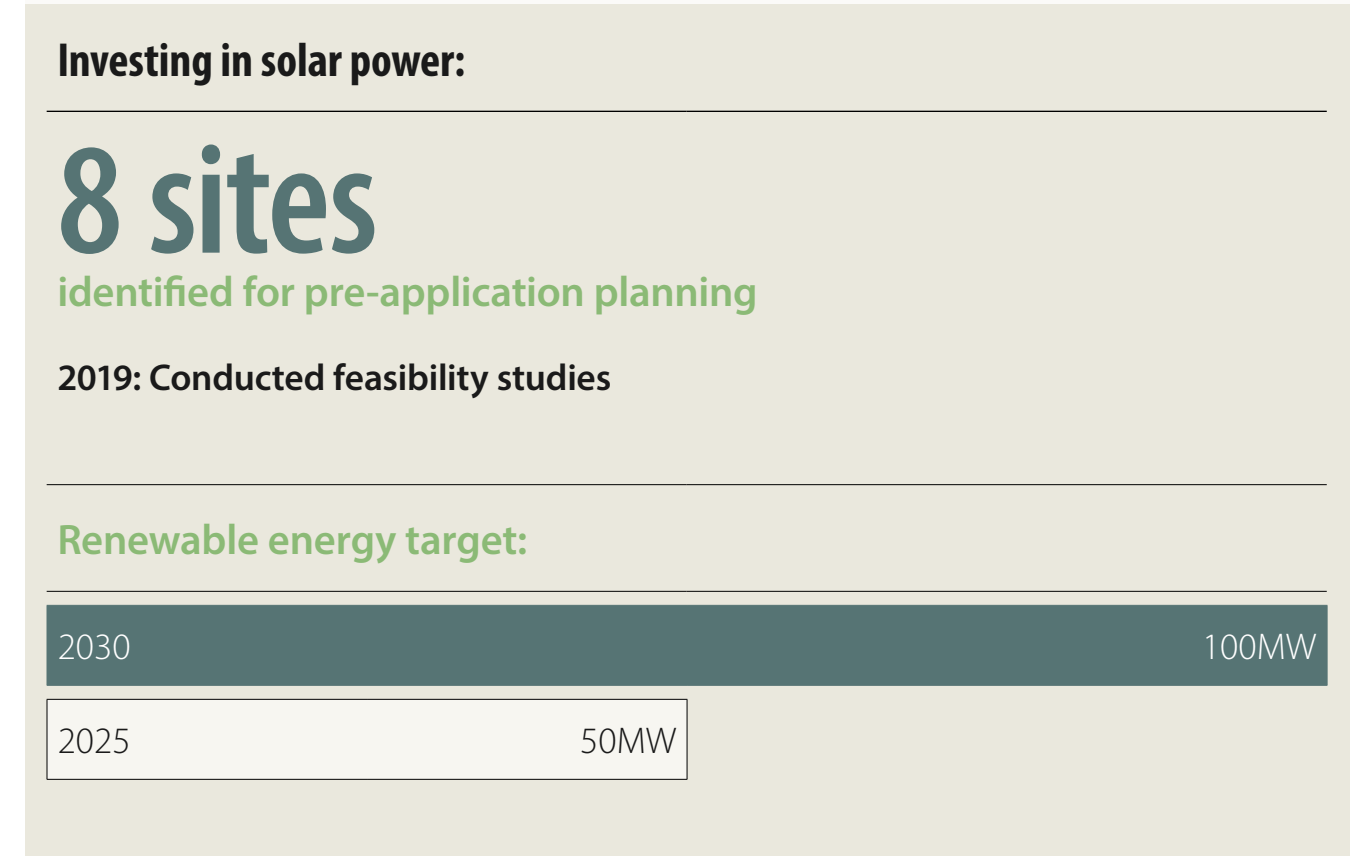
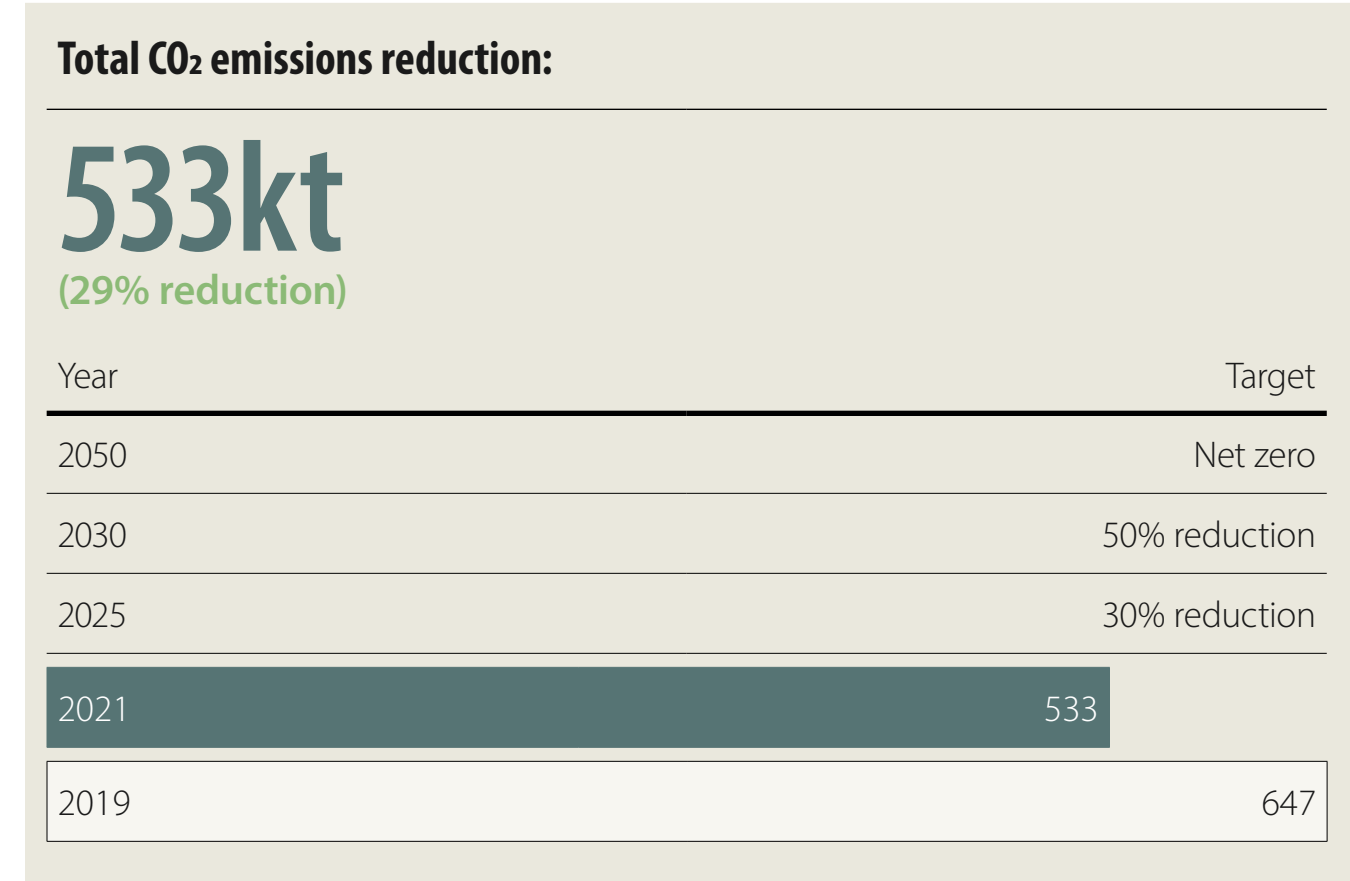
# Performance Summary

We accelerated our sustainability programme this year, with meaningful delivery across a range of areas. Key highlights include:

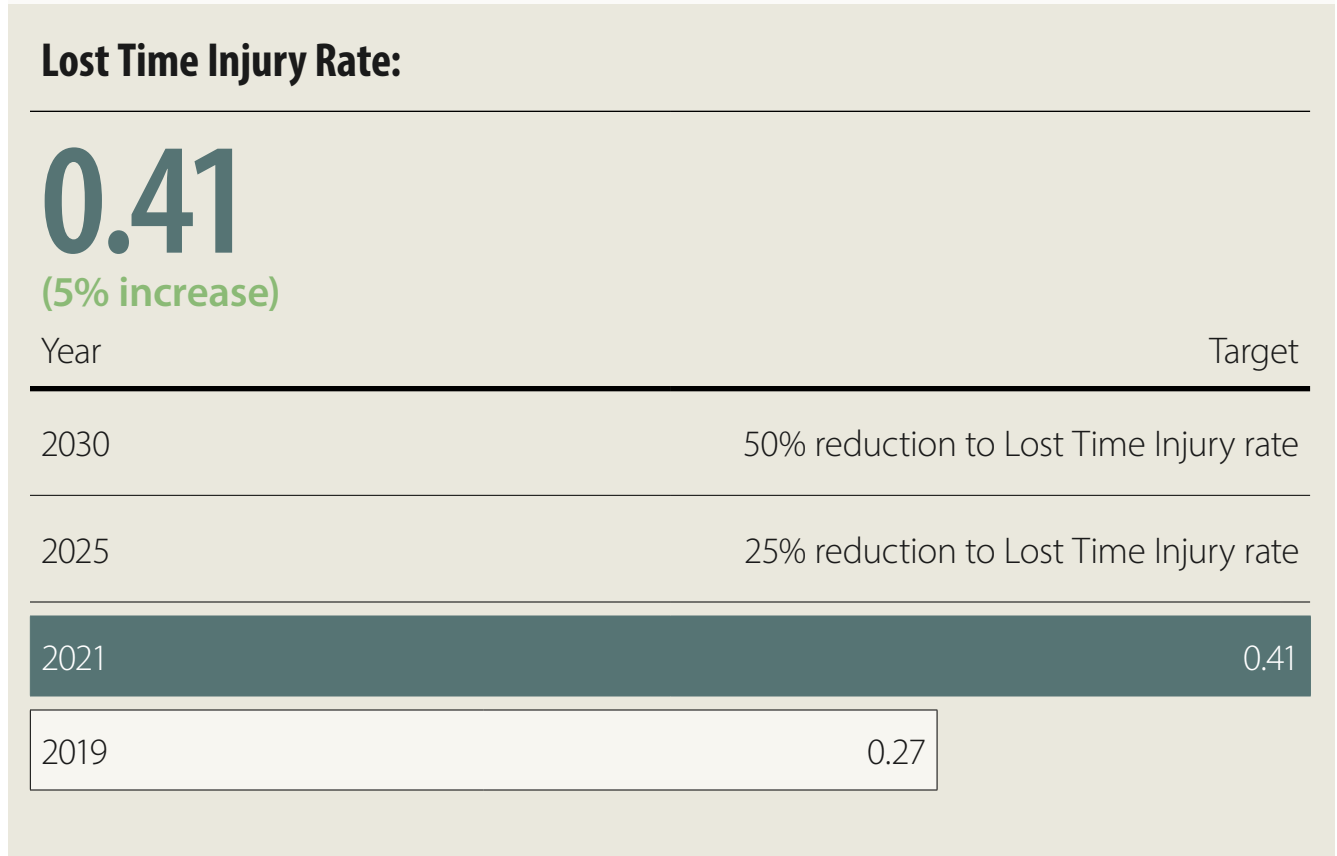
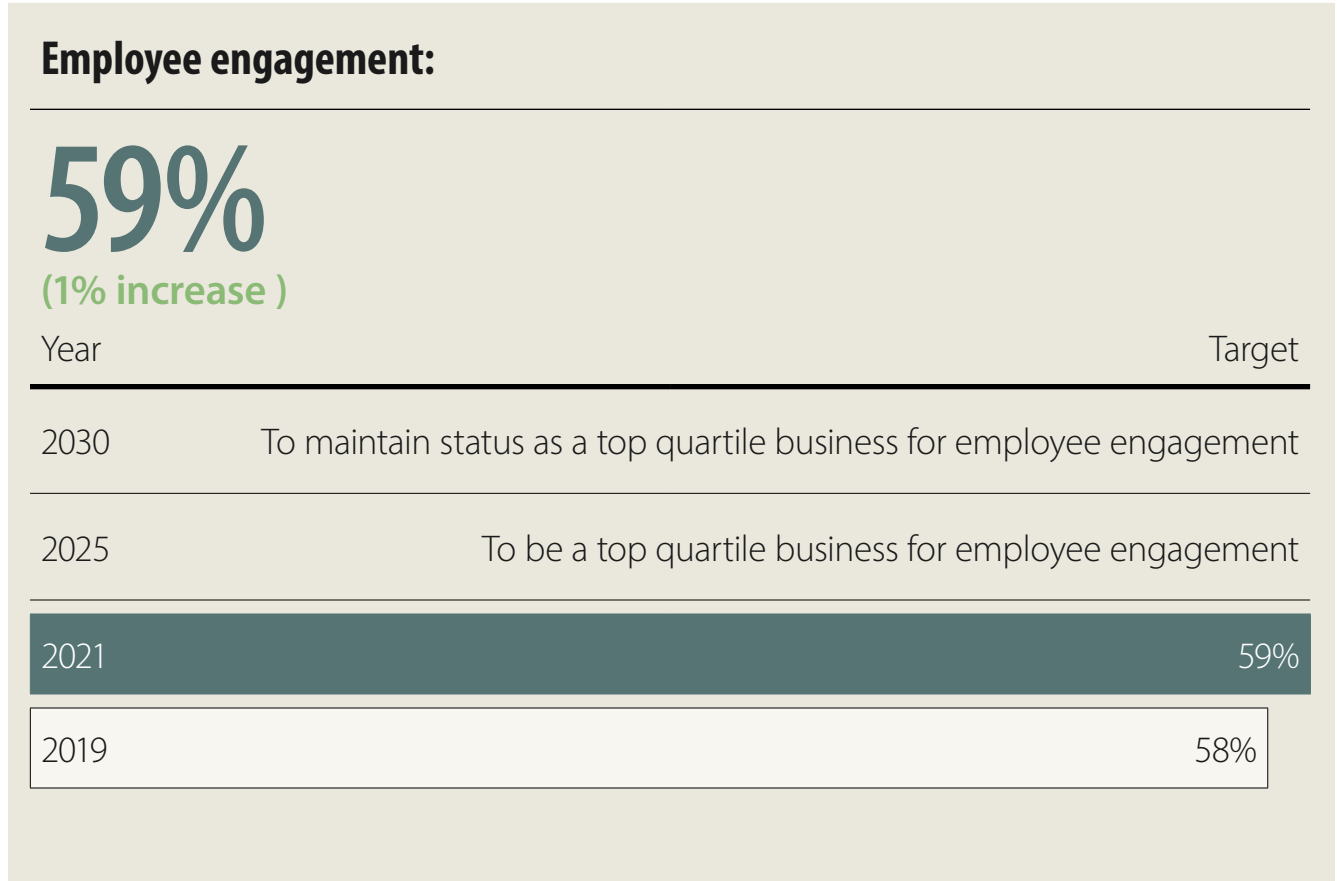
## Building a circular economy



## Tackling climate change



## Caring for our people, supporting our communities



# An Overview of our Sustainability Strategy

Our sustainability strategy outlines our ambitious approach to sustainability, embodying our commitment to helping solve the UK's waste challenge and ensuring our business is fit for purpose over the critical years ahead.

The strategy is focused on three core areas, each aligned to the United Nations Sustainable Development Goals (UN SDGs) where we believe we can make the most meaningful contributions:



Our sustainability strategy is based on three strategic pillars

## 1. Building a circular economy



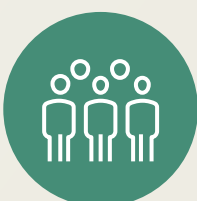
Strategic ambitions	Targets to 2030	Alignment to UN SDGs
Unlock £1.25bn of investment in green economy by 2030	<ul style="list-style-type: none"><li>Leading in surplus redistribution</li><li>Quadrupling our plastics recycling</li><li>Investing in low carbon energy from waste</li></ul>	<div><div>7</div><div>8</div><div>9</div><div>11</div><div>12</div><div>13</div><div>14</div></div>

## 2. Tackling climate change



Strategic ambitions	Targets to 2030	Alignment to UN SDGs
Having reduced emissions by 70% since 2002, we will deliver a further 50% reduction in emissions by 2030	<ul style="list-style-type: none"><li>50% reduction in carbon emissions</li><li>Cease buying fossil-fuelled trucks</li><li>Increase collection route efficiency by 20%</li></ul>	<div><div>7</div><div>8</div><div>9</div><div>11</div><div>12</div><div>13</div><div>14</div></div>

## 3. Caring for our people, supporting our communities



Strategic ambitions	Targets to 2030	Alignment to UN SDGs
Be recognised as a top ranked employer and continue to be a good corporate citizen, supporting good causes to make a real difference	<ul style="list-style-type: none"><li>Support of national Hope for Justice campaign to end modern slavery</li><li>50% reduction in our LTI rate</li><li>Manage 30% of estate for biodiversity</li></ul>	<div><div>7</div><div>8</div><div>9</div><div>11</div><div>12</div><div>13</div></div>

# Enabling the UK circular economy by creating renewable, long-term value

The UK waste sector is entering an exciting period of change driven by increasing customer demand for sustainable waste management, alongside changes to Government policy through the Resources and Waste Strategy. Biffa's strong position as an enabler of the UK circular economy is helping to guide the changes to Government policy towards progressive long-term benefits for the environment, the economy and the communities we serve.

The four areas of our sustainable business model reflect the outcomes and value creation delivered by our operational capabilities.

Our four investment areas are:



**Reduce:** We entered the world of surplus redistribution - the business of waste prevention through the acquisition of Company Shop Group (CSG), the UK's largest redistributor of surplus food and household products. This helps us reduce waste by identifying surplus products and then collecting, processing, and redistributing it for sale through CSG's unique network of membership-based outlets.



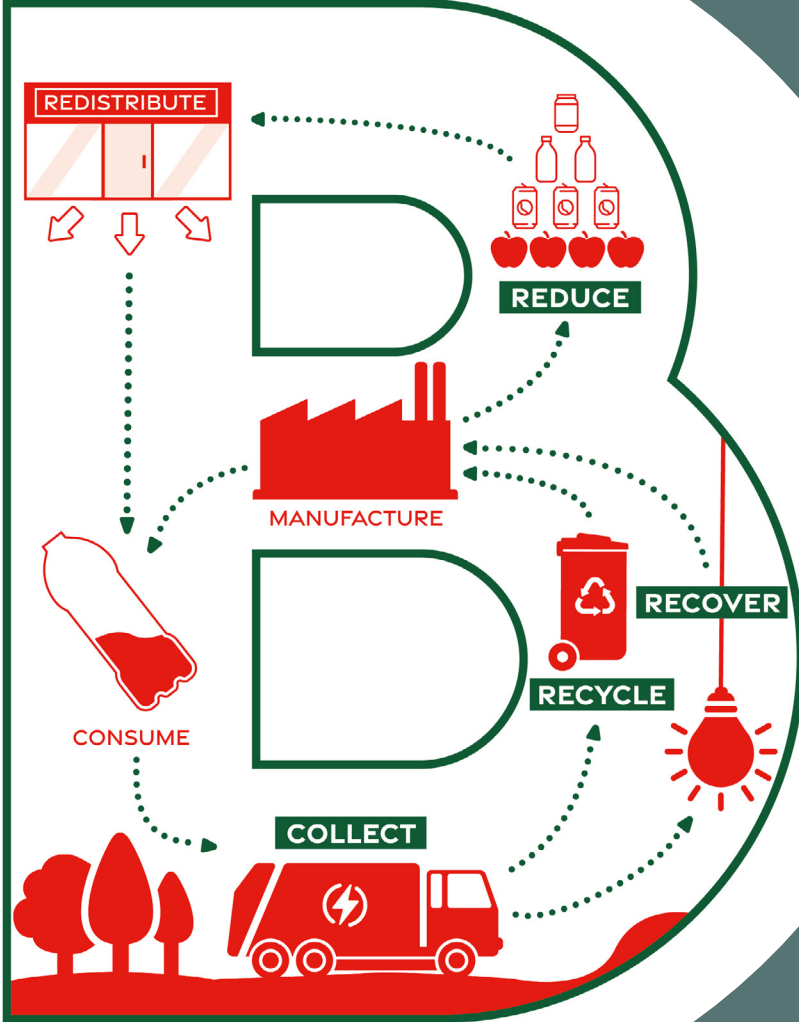
**Recycle:** We've been able to recycle more as we've grown our closed loop plastic recycling business, completing three development projects this year which sees us well on our way to achieving our target of quadrupling our plastic recycling capability by 2030.



**Recover:** For waste that can't be prevented in the first place or recycled we recognise the need to recover energy from waste as a low carbon alternative to landfill and have invested in two energy from waste facilities.



**Collect:** We've made great progress in creating the UK's lowest carbon waste collections service. We rolled out the UK's first fully electric fleet of electric refuse vehicles on behalf of Manchester City Council as well as acquiring commercial business waste services, including an agreement to acquire Viridor's Collections business. This gives us scale to reduce the carbon intensity of our services and position us well to transition to alternative fuels.







# Building a circular economy



We are contributing to a sustainable future built around a circular economy; educating our customers, Government and the wider public to use materials responsibly and re-using as much as possible.

We are making significant investments in our recycling capabilities as well as collaborating in partnership with established, expert operators, to build the low carbon energy from waste (EfW) infrastructure that the UK needs to manage waste sustainably.

We've also invested in surplus produce redistribution through the acquisition of Company Shop Group (CSG) enabling us to deliver a unique circular economy proposition for the UK.

We have now unlocked 1bn of the target of 1.25bn investment green economy infrastructure by 2030.



## Highlights include:

### 2 EfW facilities

Newhurst in Leicestershire and Protos in Cheshire, will contribute 90MW of renewable and low carbon energy to the UK's electricity grid, enough to power approximately 170,000 homes.

Doubled plastics recycling capacity to

### 120kt

through our facilities at Seaham, Washington and Aldridge.

Achieved London Stock Exchange Green Economy Mark as

### 50%

of revenues support the green economy.



# Tackling climate change

Climate change is a global emergency that requires action now. Our services deliver carbon reductions for waste producers. Decarbonisation means growing our services, whilst reducing our carbon footprint and maximising carbon savings wherever we can, for our customers and our business.

Over the past two decades, Biffa has made huge strides in our sustainability journey by investing in green economy infrastructure and low carbon collections that have reduced our carbon emissions by 70%. Our aim is to cut our emissions by a further 50% by 2030 and to reach net zero emissions no later than 2050, in line with UK Government targets.

Our programme of mergers and acquisitions over recent years has helped to improve collection efficiencies and route densities. This year we welcomed Ward and Simply Waste into the Biffa family, as well as announcing an agreement to purchase Viridor's Collections business. Acquisitions help to significantly reduce CO<sub>2</sub> emissions per tonne of waste collected.



## Highlights include:

Reduced CO<sub>2</sub> emissions by

# 17%

Launched UK's largest fleet of eRCVs.

# 21%

of our landfill inputs transported by rail.

# 14 Years

of Carbon Saver Gold.

Joined Science Based Targets initiative.

# Net Zero

by no later than 2050.



# Caring for our people, supporting our communities

Our people are the driving force of our business, delivering an essential service to our customers and making sure our business runs safely and efficiently. We strive to create a consistently inclusive environment where differences are valued, and all colleagues can thrive.

Despite our strong focus on safety this year, we did unfortunately see an increase in Lost Time Injuries (LTIs) across the organisation, most notably caused by slips, trips and falls. Whilst this increase in LTI's is disappointing, meeting the challenges associated with providing a Covid- secure work environment has been our priority to ensure we keep our staff and customers Covid safe whilst continuing to deliver an essential service during the pandemic. Our priority over the year ahead will be to continue to reinforce safe systems of work.

We are aware of the risks that being in the waste industry poses and we have a robust risk management framework to mitigate this. A risk for the sector is modern slavery for which we take a zero-tolerance approach. We are committed to tackling this appalling crime with regular review and audit procedures and protocols to ensure best practice is followed throughout the business and our supply chain.

At Biffa we feel it is important to 'give something back' to the community, and we are proud to do so through our biodiversity programmes, our Biffa Award funding programme and our charity partnership with WasteAid.



## Highlights include:

Employee engagement increased to

# 59%

3% above the UK average.

## Women in Waste

group launched to look at how we can better attract, support and develop women at Biffa.

# £75,000

raised for WasteAid in the last three years via employee fundraising.

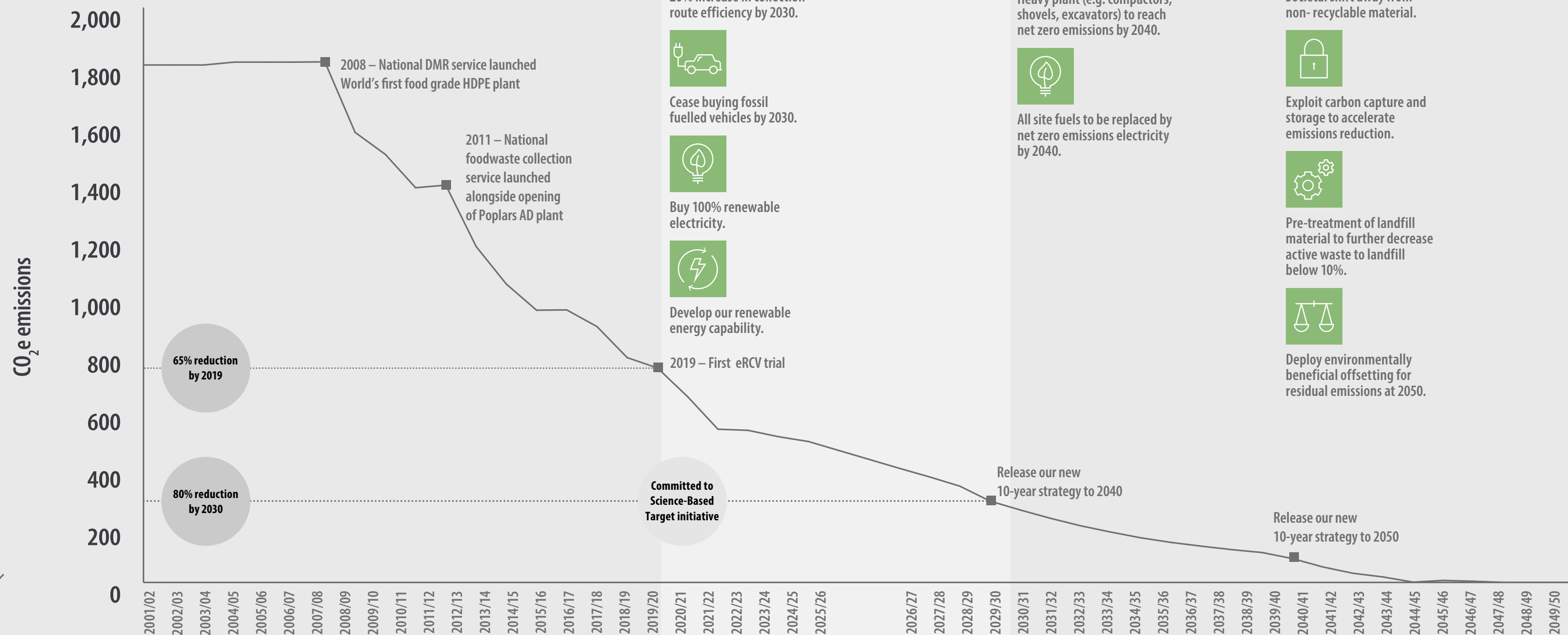
# £13.9m

spent on local community activities through Biffa Award in the last three years.





# DOWN TO ZERO



## Our path to 2030

Our 2030 targets are based on existing technology and realistic deployment. This deliverable strategy builds the foundations for the next phase of our long term ambition of reaching net zero emissions across our direct operations (Scope 1 and 2 emissions) by no later than 2050.



50% reduction in carbon emissions by 2030.



20% increase in collection route efficiency by 2030.



Cease buying fossil fuelled vehicles by 2030.



Buy 100% renewable electricity.



Develop our renewable energy capability.

## Scaling up to deliver net zero by no later than 2050

Emerging technology and process innovation will bring opportunities to further accelerate the reduction of our emissions and allow us to achieve net zero emissions by no later than 2050.



No fossil fuelled vehicles by 2040.



Heavy plant (e.g. compactors, shovels, excavators) to reach net zero emissions by 2040.



All site fuels to be replaced by net zero emissions electricity by 2040.



Increase use of renewable energy on site.



Societal shift away from non-recyclable material.



Exploit carbon capture and storage to accelerate emissions reduction.



Pre-treatment of landfill material to further decrease active waste to landfill below 10%.



Deploy environmentally beneficial offsetting for residual emissions at 2050.

We have an ambitious plan, and we are getting on with delivering it.

Net zero by no later than 2050



# We asked – what matters most?

Positive relationships with our stakeholders, who have an interest in our business and may be impacted by the decisions we make, are key to our long-term success.

This year, Biffa carried out a materiality assessment with the dual aims of identifying material sources of Environmental, Social and Governance (ESG) risk and opportunity and informing our sustainability reporting processes. We asked our key stakeholders to rate the ‘ESG topics’ that matter most to them. These topics were informed by internationally accepted reporting frameworks set out by the Sustainability Accounting Standards Board (SASB) and the Global Reporting Initiative (GRI), sector trends, and investor perceptions.

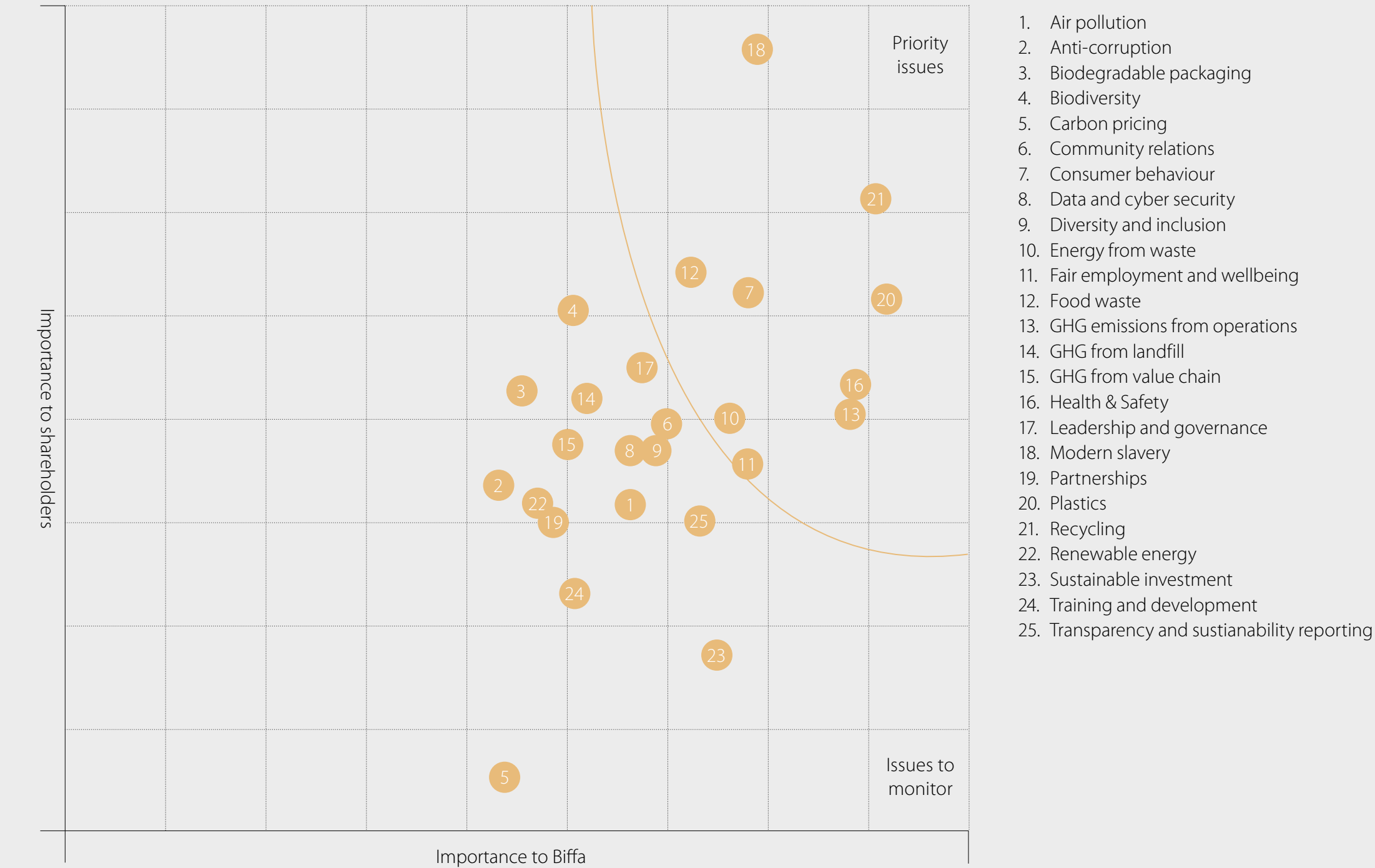


Construction is underway at our energy from waste facility at Newhurst, Leicestershire.

The topics of highest strategic importance to Biffa, in terms of meeting the expectations of our key stakeholders, are related to the circular economy and waste disposal. Investment in these areas is both core to Biffa’s commercial offering and central to our sustainability strategy.

You can read more about how our business and our Board have engaged our stakeholders directly and indirectly to understand what matters to them and the outcomes of that engagement in our full sustainability report.

You can also read more about how our Board take into account stakeholders and other factors in their decision making in the Section 172 (s172) Statement on pages 12-13 of our Annual Report.



The vertical axis values are made up of the importance to stakeholder scoring and the horizontal axis values of the importance to Biffa scoring.





## Biffa plc

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