



ENVIRONMENTAL & SUSTAINABILITY REPORT 2018



Fowler Welch

Listening... Responding... Delivering



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INTRODUCTION

About Fowler Welch

Fowler Welch is a leading food supply chain specialist, providing solutions in chilled and ambient distribution and warehousing operations. We support businesses with expert knowledge in transport, warehouse and EDI technologies.

We operate through a culture of Listening, Responding and Delivering which has allowed us to grow to over 1,500 employees and a fleet of over 450 vehicles across nine depots, consistently providing exceptional standards in service.

We pride ourselves on taking a collaborative approach to customer requirements, allowing us to work closely with customers to provide a bespoke, flexible, cost-effective and reliable service that produces tangible results.

Environmental and sustainability objectives

At Fowler Welch we recognise the effects that our operations have on the environment, both on and off the roads. With this in mind, we not only operate our business responsibly, in compliance with all legal requirements related to our industry, but we go above and beyond these requirements to demonstrate to our customers and the wider industry how we can work together to protect the environment.

What you will find in this report

This inaugural Environmental and Sustainability Report aims to analyse the work done by Fowler Welch and our partners in the last year to reduce carbon emissions across all areas of the business.

This report will also provide a benchmark and recommend KPIs for the next phase of Fowler Welch's strategy to reduce carbon emissions.



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OUR APPROACH

As an industry leader, we have a responsibility to set an example for the rest of the sector in the way we manage our environmental impact, and for us this means taking a holistic view.

This means bringing together department heads from across the business to make sure the strategy is agreed upon and implemented successfully across all areas of Fowler Welch's operation.

Involving all departments and team members from the boardroom to warehouse floor has been highly successful and so far achieved a result of 18% reduction in carbon emissions and a staggering saving of over 10,000 tonnes of CO2 each year.

Our strategy involved looking across the business in its entirety, and through this we have focussed on five key areas:

1. Fleet

Looking for ways to reduce carbon emissions on the roads through training, innovation and investment.

2. Waste

Reducing, reusing and recycling to minimise the amount of waste we produce.

3. Electricity

Reducing energy usage across the business facilities which are in operation 24/7, 365 days, to drive down our overall carbon footprint.

4. Customers

Working with customers to find opportunities to increase efficiencies and reduce carbon emissions through collaborative relationships.

5. Charity

Using our time, influence and abilities to give back to our communities, both locally and within our industry.



FLEET



WASTE



ELECTRICITY



CUSTOMERS



CHARITY



FLEET

With over 450 trucks on the road, our fleet represents a significant opportunity for carbon reduction, and through a range of initiatives such as training, innovation and investment, we have seen incredibly strong results in our reduction of carbon emissions on the roads.

MPG

Over the last few years, as part of an overall sustainability pledge, initiatives have been put into practice across the fleet including telematics in all vehicles, and a driver league table recognising 'good driver behaviours' including cruise control, load sympathy and braking control. These have impacted MPG significantly, standing at 9.75 as of March 2018.

Euro6

We were the first UK food supply chain business to invest in the adoption of 100% Euro6 engines, the latest standard for fuel efficient vehicles.

2017-18 MPG
has gone up from
9.43 to 9.75

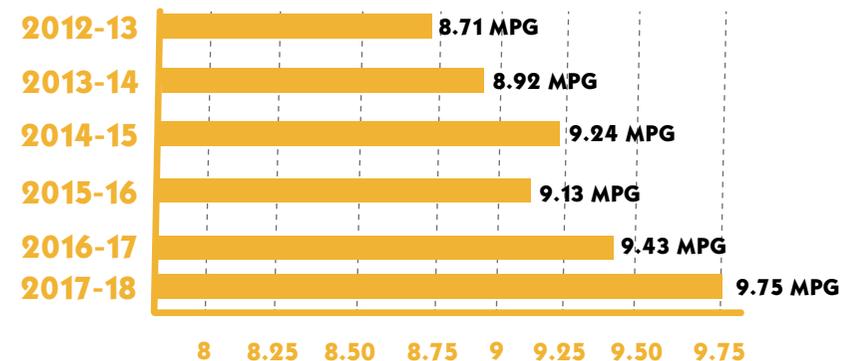


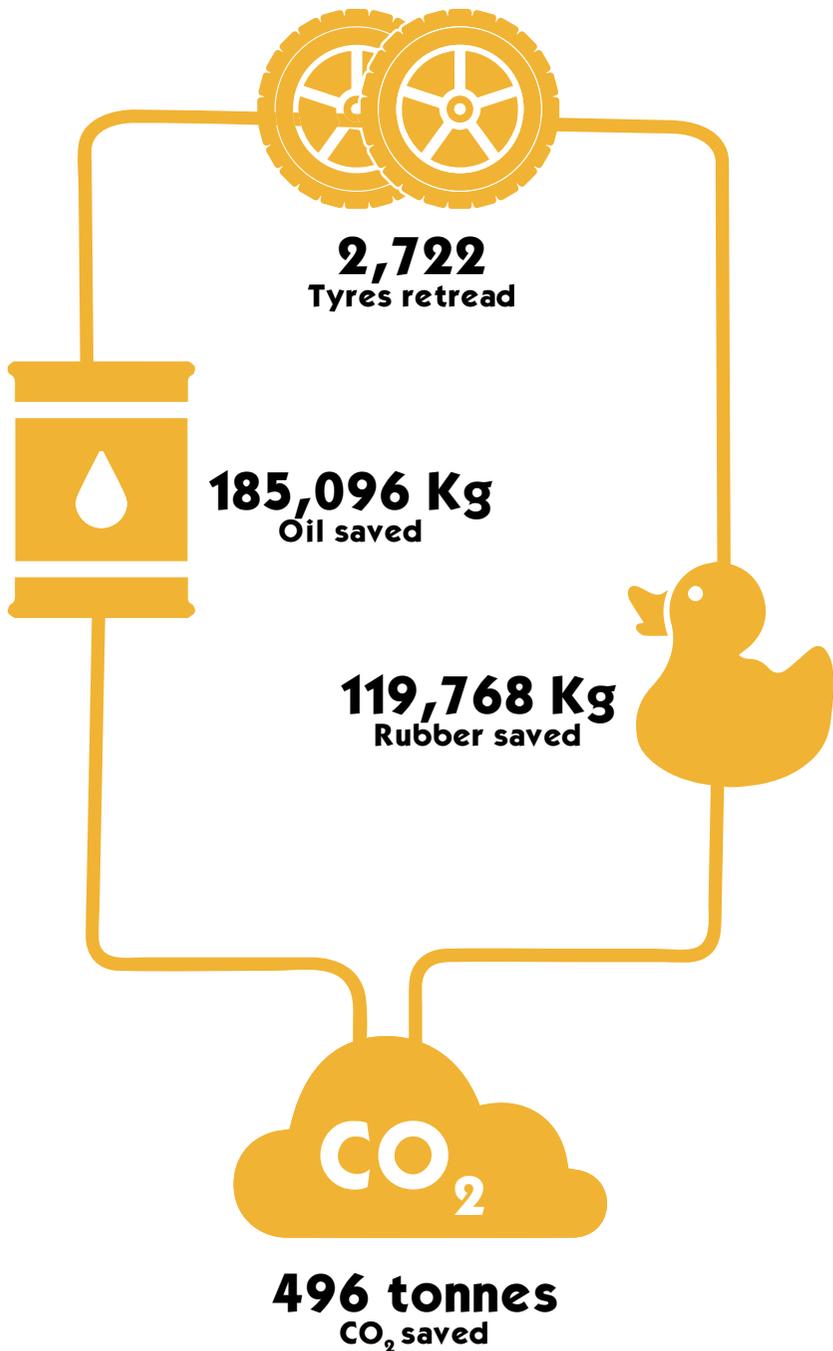
reducing carbon emissions by a further
2,000 tonnes since 2017
(fleet only)



3.4% reduction
in carbon emissions

Fowler Welch MPG figures, 2012-2018





Truck Tyres

Working with trusted suppliers that follow the same environmental commitment that we do offers us even more opportunities to contribute towards our environmental targets.

Our tyres are supplied by Bandvulc who retread them, offering significant CO₂ savings of 496 tonnes in the past year. Furthermore, any tyre which fails a retread inspection is converted into rubber crumb for athletic surfaces and playground matting.

Automated Pallet Delivery Trailers

We work alongside our customers to find a solution that best meets their needs, developing innovative solutions to achieve the best results. One of these solutions was to create 10 bespoke APD trailers for a customer that had a significant number of empty backloads returning due to difficulties finding loading bays to fit the APD equipment.

The first-of-its-kind design offers a versatile refrigerated trailer which can be loaded by APD or traditional forklift thanks to a clever drop down floor. This increases the opportunities for return journey backloads significantly, saving 40% carbon emissions per pallet/mile.

By continually listening to our customer, we delivered a bespoke solution to reduce empty running by 252,000 miles.



10x
customised trailers



40%
carbon emissions
saved per pallet/mile



Reduced empty running by
252,000 miles







WASTE

In 2017, we were awarded the first ever Waste2Zero Best Practice in Logistics Award which recognises innovations in logistics that aid operators in waste management and effective food redistribution solutions, while making moves to cut the impacts of transport activities.

waste²zero

Recycling Packing Materials

Our warehouse operations produce a significant amount of waste packaging materials, and one way of reducing the amount of plastics and cardboard that go to landfill was to install a baler and compactor across a number of our sites.

This was trialled in Heywood which was paying over £36,000 a year for waste collection to landfill. This baler and compactor meant cardboard and various grades of plastic could be recycled, reducing the amount of waste going to landfill as well as the site's waste bills.



105 tonnes
of cardboard recycled yearly

60 pallets
of plastic recycled each year



£10,200 income
generated by recycling

£27,560 saved on
waste bills



ELECTRICITY

Our operation never sleeps, with our offices and warehouses manned 24/7, 365 days a year, presenting a large opportunity to increase efficiencies, reduce costs and continue to drive down our overall carbon footprint.

Power consumption

The main way we look to reduce power is working in line with a Climate Change Agreement, which is in place across our four largest sites and is currently in milestone period three, to December 2018.

Working towards this measure, we have seen a reduction in electricity usage across the group of around 500,000Kwh. Initiatives include:

- Installation of an energy management system allowing higher energy using equipment to be taken off grid during peak times. This frees-up electrical load to the National Grid and manages our consumption (DUOS - Distribution Use of System).
- Installation of an updated and energy efficient air conditioning system for our main administration block at Spalding. The new system uses the latest generation refrigerants and has a single point controlled air-con unit, allowing better energy management.
- Update of older refrigeration compressors to energy efficient inverter driven refrigeration compressors.
- LED lighting and intelligent T5 lighting rolled out throughout the group.



1,835 light fittings
were replaced with 453 (75% reduction).



Annual Power
consumption reduced by 42% (24,230.16 kw).



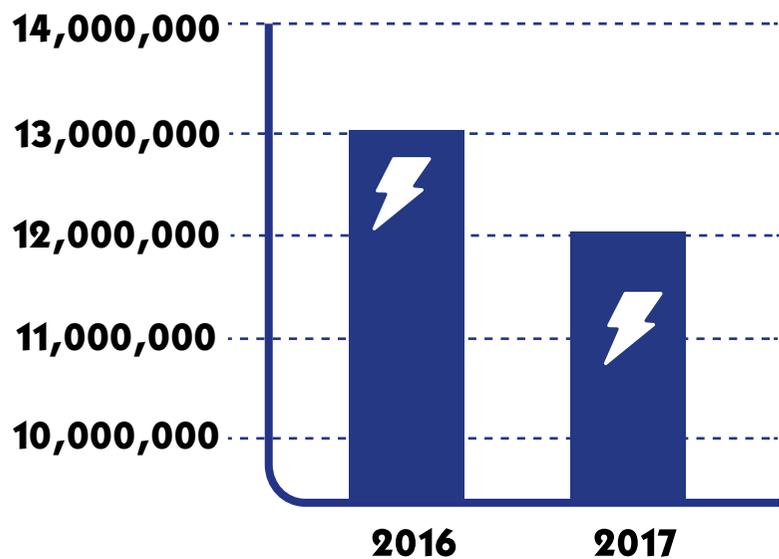
Heat gain savings
were £9,940.41



total savings
£24,817.52



Fowler Welch Annual Power consumption (Kwh)



Teynham Extension

Our Teynham site was recently extended by 50,000 sq ft to create 120,000 sq ft of temperature controlled space. The extension means the entire packing operation can take place under one roof, rather than, as previously being transported out for packing, then brought back for distribution, saving food miles and improving efficiency.

We took into consideration the environmental impact of running a larger site and worked with a trusted supplier for refrigeration and lighting expertise, making sure equipment offered us high efficiency, low electrical consumption.

FW LINE 5
ORGANICS ONLY





CUSTOMERS

Our customers are the heart of our business and our strategy identifies opportunities to work with them to jointly reduce carbon emissions, Listening, Responding and Delivering initiatives that help us both achieve our environmental objectives.

Listening

long term planning

Responding

developing creative ideas and solutions

Delivering

environmental benefits

Tulip

Listening - One of our major clients Tulip needed a more efficient way to move export product into cold store. Due to technical reasons the product could not be stacked, significantly under-utilising loads.

Responding - We sourced a jumbo trailer offering the combination of a single-temperature trailer and a double-deck. Bars lower from the ceiling to double the usable space, without the need for stacking.

Delivering - The programme was successfully launched in early 2017 and has seen impressive savings in food miles and carbon emissions already.



80,860

food miles saved



trailers

reduced from 5 to 3



107 tonnes

of CO₂ saved







CHARITY

Taking an active role in the local communities in which we operate, as well as communities within our industry is a very important part of Fowler Welch's ethos of Listening, Responding and Delivering. Each year we nominate a Charity of the Year to support through a number of initiatives which every member of the Fowler Welch family can get involved in.

This year we took that pledge one step further with our collaboration with FareShare, as we encouraged our customers to donate surplus food to the food redistribution charity.

We recognised that our customers were looking to pursue an efficient and simple way of putting their surplus food waste to good use, but struggle with the complexities of finding a suitable charity and then getting the food to them in time.

Teaming up with FareShare, which provides over 700,000 meals for vulnerable people each week, we could use our expertise and abilities to provide a simple, easy way for companies to deliver social good with their surplus food. This is done using existing collection and delivery vehicles, providing an efficient way to get food to where it is needed. With 32 customers including Lotus and Higgidy on board, so far 1,314 pallets of food have been collected and distributed UK-wide, contributing to over two million meals for vulnerable people. This totals 880 tonnes of surplus food donated, which would otherwise have been sent to landfill where it would have produced the equivalent of 264,880kg of CO₂.

Big Bike Challenge

Further to this, all sponsorship from this year's Big Bike Challenge was donated to FareShare. The challenge saw Fowler Welch colleagues and customers cycle the length of the country via each Fowler Welch depot over five days.



1,314 Pallets
of food



2 million meals
for vulnerable people



saving equivalent of
264,880kg of CO₂

Big Bike Challenge



724 Miles
cycled



£16,000
raised

NEXT STEPS

Conclusion

The Fowler Welch team has made significant progress over the last year, building on the huge advancements of previous years. The improvement in MPG and work with FareShare are two highlights from the year. The Waste2Zero award was a great recognition for the whole of the Fowler Welch team.

Focus for the current year will be on continuing to improve MPG, our largest area of carbon impact; further capital investment in the latest energy efficient lighting; and improving vehicle fill through two specific customer initiatives.







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