

FCC Environment

Sustainability Report 2021





Welcome to FCC Environment

from waste
to resource



United Nations
sustainable
development goals

The United Nations has adopted 17 global goals to build a better world by 2030. Together with our employees, customers and partners, we are contributing to many of these goals, from clean energy to sustainable cities and climate action.

Foreword

Paul Taylor

Group Chief Executive
FCC Environment UK

Welcome to FCC Environment's 2021 Sustainability Report. Every year, we try to fit in all of our achievements and accolades, and each time, we find we have more and more to be proud of. This year is no exception, so this report gives an overview from all angles, to give a taste of what's happening across the business.

The first thing to say, is that business has been good. After the impact of COVID-19, the economy is bouncing back, and we are extremely pleased with FCC's progress. In 2021, we signed new collection contracts in Scotland and we continued to expand our network of Household Waste Recycling Centres in England.

Net zero has, rightly, taken front of stage, and we are proud to support the industry in driving greater action on carbon

emissions. Our Eastcroft Energy from Waste (EfW) facility is already a key part of the largest district heat network in the UK and, by providing more facilities for UK householders to reuse and then recycle, we are making an important contribution.

As a business, we don't stop there – alongside electric vehicle trials, we are providing rail hubs that mark a significant reduction in road haulage miles.

These moves help us to be resilient, responsive and, most importantly, sustainable. We hope you enjoy this whistle-stop tour of our accomplishments.



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After the impact of COVID-19, the economy is bouncing back, and we are extremely pleased with FCC's progress.

Paul Taylor

Group Chief Executive
FCC Environment



Who we are and what we do

We are proud to be part of a huge shift in attitudes and operations. Last year, with COP26 taking place on these shores, we were able to take stock, and recognise the innovation – and dedication – taking place within our business.

FCC Environment is a waste and resource management company that looks at the bigger picture. We manage household waste collections for 60 local authorities, as well as for 2,559 commercial customers, but our focus, always, is on the value in the final material, rather than volumes shifted from A to B.

In recent years, we have turned our attention to carbon impact, driving reuse at our local authority sites and reducing the carbon associated with our day-to-day activities. Our input into district heating systems has been providing a local solution for over 30 years and we continue to take a multi-pronged approach to projects, with the aim of achieving multiple benefits.

At heart, we are a recycling company, but we also take our stewardship seriously. Through land restoration, we carefully manage our sites to provide valuable habitats, grow low carbon fuels, and even process contaminated soils for reuse.

Our people are outstanding. We attract committed, creative thinkers, and work hard to help them thrive. Our collection crews are award-winners, and our graduates, managers, engineers and leaders value teamwork, partnership and add value at every stage of the process.

At FCC, we look after the detail, while playing an active role on the industry stage. We contribute to policy debate, while making sure the day-to-day details are taken care of. Above all, we value resources and tailor our services to maximise value.

United Nations
sustainable development goals



Business Waste Solutions
We deal with waste from some of the biggest and most recognisable businesses in the UK. Our diverse customer base, comprehensive service portfolio and our own national network of specialist facilities, means we're uniquely equipped to provide tailored solutions for all business waste requirements.

Municipal Services
We have a proven track record in municipal waste solutions. More than 60 local authorities currently use our hassle-free household waste collection, recycling and treatment options, and we operate 107 household waste recycling centres to help communities recycle more.

Recycling
Our award-winning household waste recycling centres and materials recovery facilities provide the highest-quality materials for reprocessing into new products. Our food waste collections provide valuable green energy and return nutrients to British farmland, supporting a restorative, circular economy.

Green Energy
Our energy recovery capacity continues to grow, helping to keep Britain's lights on without costing the earth. The heat and electricity generated by our facilities replaces the need for fossil fuels and imported energy, while providing a safe and sustainable disposal route for non-recyclable wastes.

Waste Processing
We provide a fully-comprehensive service to all our customers, managing complex and hazardous waste streams, as well as providing advice on compliance, waste reduction and circular economy opportunities. Our customers value our cost-effective, trouble-free and dependable service.

Land Development
Our vision is to create sustainable, carbon-neutral communities. At the heart of this process is the need to build on effective partnerships – in close liaison with the community – to respond to housing needs, and create employment, training and education opportunities, all within sustainable developments.

Mapping the Politics of Waste

Over the years, legislation has been a key driver in helping the waste and resources industry to progress. Regulation has underpinned the building of a greener economy that has moved us away from landfill, and it also gives businesses in our sector the confidence and support to push boundaries and challenge the status quo.

Today, we sit on the brink of new legislation that will fundamentally impact how we work. The next few years promise to be turbulent and taxing. The first step to success is to understand what is required.

Mapping the Politics of Waste

In 2021, FCC Environment launched a comprehensive new report, Mapping the Politics of Waste, to examine the legislative changes and key challenges facing the waste and recycling sector. The report also sets out the opportunities for the industry in the run up to the 2024 General Election.



The race to net zero

As Government seeks to reduce the UK's emissions by at least 78% by 2035, the race to net zero is a key priority of this parliament. While the waste and resources sector has almost halved its carbon emissions since 2008, it still contributes 8% of UK greenhouse gases.

According to the report, a significant challenge for the sector will be to make sure that it is seen as being part of the solution, actively seeking ways to reduce and offset its carbon emissions. We must look at how we can enable the rest of society to meet its own net zero goals, through better recycling options, recycling education, improved efficiency and working with producers to make them aware of what can be handled.

In July 2020, a report backed by a cross-party group of MPs and Lords argued that energy from waste (EfW) could play a key role in the race to net zero, if properly decarbonised.

The challenge of EfW and its role may naturally conclude, should the government's policies on reducing the amount of residual waste prove successful.

The Environment Bill

In 2021, the government's Environment Bill became law. The Bill will implement many of the significant changes planned for the waste sector – including the Deposit Return Scheme (DRS), Extended Producer Responsibility (EPR) for Packaging Waste, consistent recycling collections, and the implementation of the Office for Environmental Protection (OEP).

The timeline for EPR has been delayed to 2024, to allow time for packaging producers to prepare, but detail on actual requirements is still uncertain. The Deposit Return Scheme and Consistent Collections have been delayed to allow for greater consultation.

78%

The race to net zero:
The government seeks to
reduce the UK's emissions
by at least 78% by 2035



£350m

£350m of investment has been provided to help fuel the green recovery, almost £150m of which is to drive the use of innovative materials in heavy industry

Resources and Waste Strategy

The government published its Resources and Waste Strategy for England back in 2018. The 25-year plan aims to eliminate avoidable waste of all kinds by 2050, and the government remains highly committed to implementing the strategy – although there is not scheduled to be a review and revision until late 2023/early 2024.

The review in 2023/24 will undoubtedly see an increase in measures designed to enhance environmental protections and ramp up delivery of the net zero agenda.

With DRS arriving in Scotland this summer, early learnings are likely to be used to shape the final England, Wales and Northern Ireland model.

Tackling waste crime and enforcing regulation

Waste crime costs the UK economy at least £600 million per year. There are few in the sector who would not argue that the Environment Agency (EA) and Joint Unit for Waste Crime (JUWC) need more resources to tackle illegal activity.

While some progress has been made, cases of fly tipping, for example, have increased in the last year, while the number of enforcement actions has dropped – showing there is some way to go.



The waste and recycling sector can be instrumental in helping the UK achieve its goals and get back on its feet. Whatever Britain's political future holds, it is FCC Environment's belief that the industry requires legislative and economic drivers to encourage investment in infrastructure as well as market growth."

Paul Taylor
Group Chief Executive, FCC Environment

General Election 2024

The next General Election is scheduled for May 2024. Stewardship of the economy as it recovers from COVID-19 will be key, as will the perceived success of Brexit.

Working on the assumption that the Environment Bill suffers no further delays, the Conservative Party is on track to have delivered a number of key policy commitments in the lead up to 2024. However, it is certain that all the major parties will make advancing the

green agenda a core component of their manifestos – potentially filling the void left by Brexit.

The sector should also brace for a volley of new policies designed to help the devolved nations move towards a sustainable, circular economy. In Scotland, a review is expected on the role of incineration in the waste hierarchy.

FCC Environment In Numbers

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We are one of the UK's most trusted resource and waste management businesses. We hold over **100 contracts** with some **60 local authorities** up and down the country, recycling more than **1.1 million tonnes** of waste each year."

United Nations
sustainable development goals



280

UK sites, of which
166 are operational

2,559

Customer accounts

107

HWRC sites

117MW

Our facilities generate
117MW of green energy

3,323

Customer sites

7

PFI and PPP contracts (Wrexham,
re3, Lincolnshire, Mercia,
Buckinghamshire, Allington,
Edinburgh and Midlothian)

1.3m

We collect waste and
recycling from 1.3 million
people in the UK

100

Over 100 major
contracts with a total
of 60 local authorities

2,325

Employees

47

Transfer stations

10

Integrated waste
management facilities

£1.7m

Our Reuse shops generated
£1.7 million in revenue for
charity partners

885k

We recycle 885,000
tonnes of wastewater
every year

6,000

Business waste
customers

5

Material recycling
facilities

14m

Management services for
household waste produced
by over 14m people

1.1m

Tonnes of waste
recycled in 2021

1,808

Tonnes of reuse material
collected through the
Reuse scheme



FCC Environment brand value
Environmental Commitment

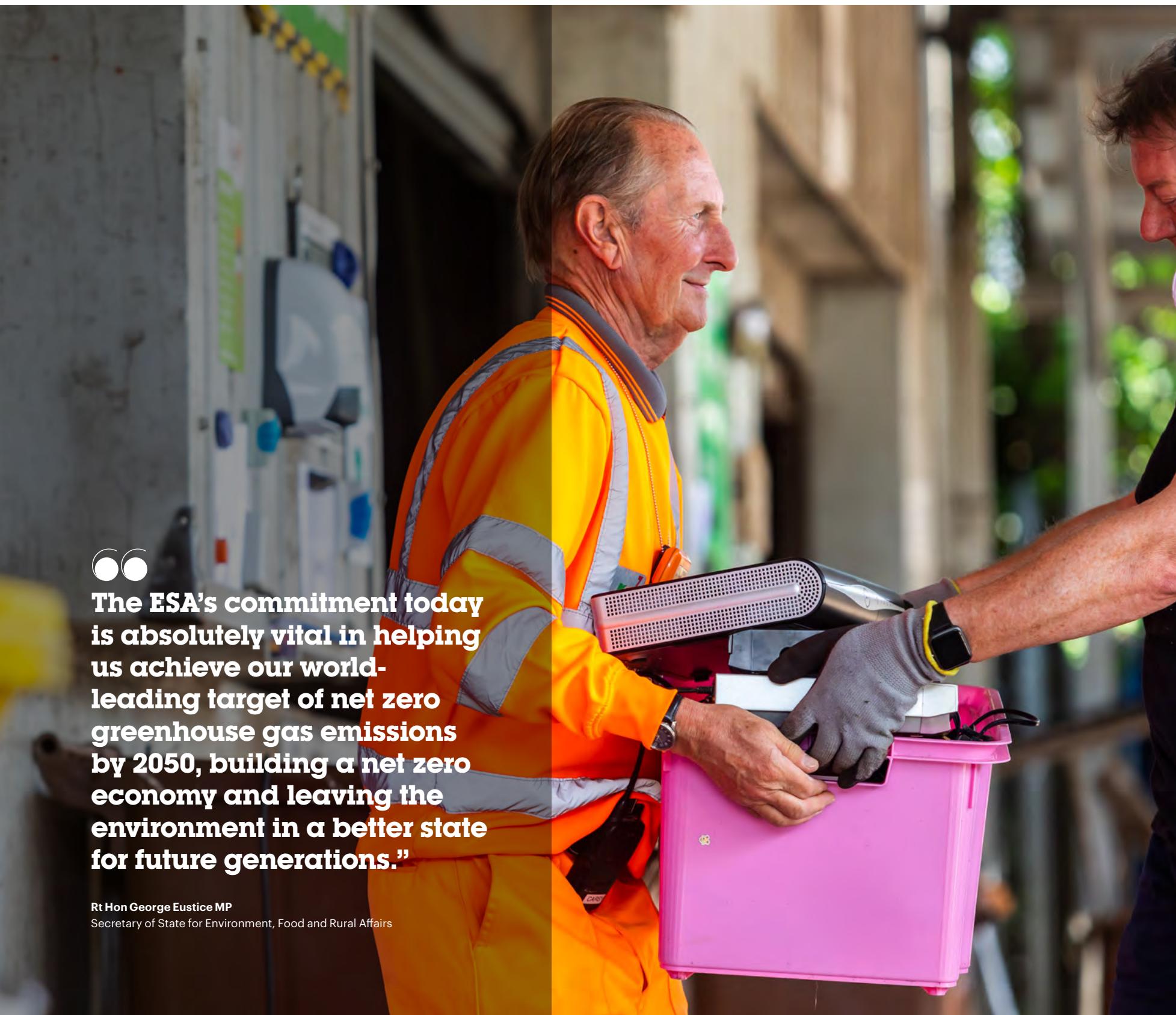
Environmental Commitment

Tackling climate change together

Carbon reduction is already a priority for Government and, with COP26 taking place in Glasgow last year, all eyes have been focused on tackling challenging issues. The UK's recycling and waste management industry is pushing hard for net zero. We've already reduced emissions more than almost every other sector and, in 2021, we collaborated on tough new measures to meet our target, a whole decade ahead of schedule.

United Nations
sustainable development goals





The recycling and waste management sector already boasts the third-largest sectoral emissions reduction in the UK, but managing the UK's waste still accounts for 8% of total UK GHG emissions.

We are committed to delivering a stretching net zero emissions target, a decade ahead of the government's deadline so, as an industry, we have come together to

invest in an ambitious plan to accelerate decarbonisation.

Under the ESA's Net Zero Greenhouse Gas Emissions Strategy for the UK Recycling and Waste Sector, members have committed to invest £10 billion, to cut 8% of UK total greenhouse gas emissions to net-zero by 2040.

£10 billion investment in recycling infrastructure

To drive up recycling rates and cut waste.

Increased capture of methane emissions

By 85% from landfill by 2030.

Purchase of only zero emissions collection vehicles

From 2030, and the phasing out of petrol and diesel entirely by 2040.

Introducing regulatory and policy drivers

Which enable carbon capture technology for energy-recovery facilities – helping to reduce emissions from the waste we cannot recycle in the shorter term and, in future, unlocking the potential for negative emissions by removing more carbon dioxide from the atmosphere than we emit.

To find out more about the industry's plans to reach net zero, visit:
www.esauk.org/what-we-say/publications/net-zero-strategy-report-registration-form

Our race to net zero

The recycling and waste management industry has made new commitments to drive net zero. At FCC Environment, we already incorporate carbon-friendly initiatives in our day-to-day work. Together, we will reach net zero.

Avoided emissions

Avoided emissions occur when an activity leads to avoiding emissions that would otherwise have taken place. Reuse, recycling and energy from waste all offset the need to create new products or generate fossil fuel energy.

As a sector, in 2018, the emissions avoided by our services exceeded our direct and indirect emissions by around 14 million tonnes of CO₂e, and this continues to rise year-on-year. At FCC Environment, our avoided emissions are 1.3 times more than our emissions, which means we make a positive contribution around carbon.

The challenge for our entire sector is that most of these benefits are accounted for elsewhere in the economy.

Heat networks

Our Eastcroft Energy from Waste (EfW) facility is a key part of the largest district heat network in the UK. The scheme has been providing low carbon heat and hot water to 5,000 local homes and 100 businesses for over 30 years, as well as providing 250,000 MWh of energy from 180,000 tonnes of residual waste each year.



Above:
Our Eastcroft Energy from Waste (EfW) facility is a key part of the largest district heat network in the UK



Electric vehicles

As part of our commitment to reaching net zero by 2040, FCC Environment has already started the switch to zero emission vehicles. In 2021, we trialled an e-One refuse collection vehicle and fully electric sweeper during collection rounds across Wychavon District Council. Trials are also taking place in North Northamptonshire and Buckinghamshire, as part of our strategy to replace diesel vans with electric.

Recycling

Recycling plays an important role in reducing carbon emissions, and FCC is committed to increasing recycling throughout our operations. We work with government and other partners on building the infrastructure to deliver greater volumes of recycling.



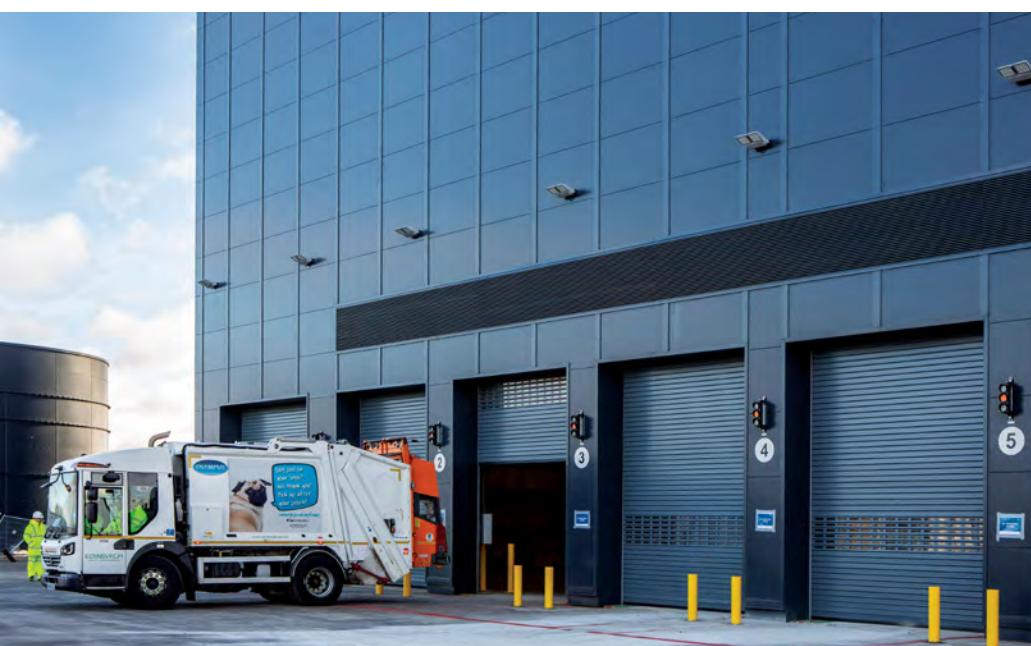
Above:
100% electric recycling and waste collection vehicles – tackling climate change street by street

Below:
Microgeneration pilot scheme in Burnley



Microgeneration

Following a pilot scheme in Burnley, FCC is set to roll out microgeneration at nine of its landfill sites across the UK. Overall, the initiative will allow an additional 7,329 MWh of renewable energy to be fed back into the grid, enough to power over 2,360 homes.





Efficiency

As part of the green economy, we already help the UK to reduce its carbon emissions, but our own business also has an impact. We assess all areas of operations to find ways to improve efficiency. So far, we've developed rail networks, made adjustments to equipment, switched to more efficient vehicles, and reduced consumption.

Eastcroft cuts gasoil by 80%

The team at FCC Environment's Eastcroft EfW has dramatically reduced the volume of gasoil used to assist in the combustion of waste. Over the last 10 years, Eastcroft has averaged 67,245 litres consumption in six months. In 2021, the team reduced that to just 16,410 litres – a whopping 80% reduction!

Rail outmanoeuvres road

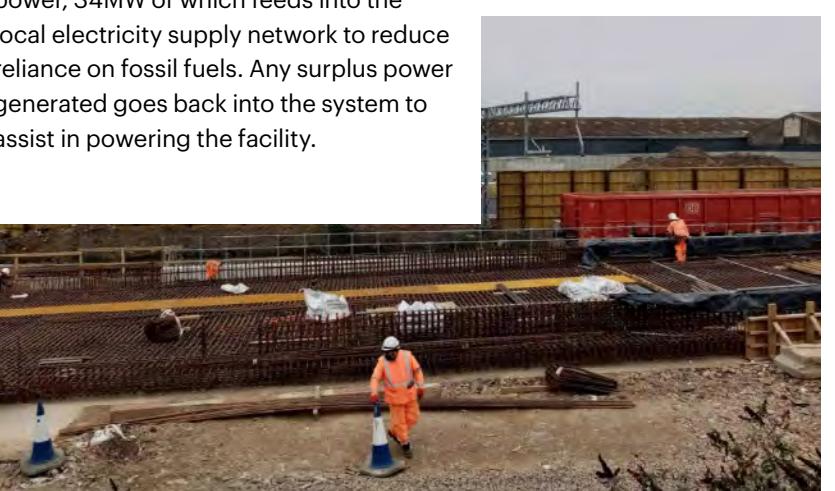
Morgan Sindall Infrastructure's Barking Riverside Extension Project includes the construction of 4.4km of new track. So far, FCC Environment has received over 113,000 tonnes of non-hazardous, waste sub-soils at its Barking Eurohub. The sub-soils are then moved by freight train, to be used in landfill restoration, for site engineering projects or for quarry backfill.

For every tonne of material moved one mile by rail freight, instead of by road, 76% less CO₂ is produced. By transporting waste soils by train, rather than taking equivalent road journeys, FCC saved 2,500 tonnes of CO_{2e} in 2021.

Continuous emissions monitoring

FCC's EfW plant at Allington in Kent has installed an all-new Continuous Emissions Monitoring System (CEMS) to ensure that the plant continues to comply with its emissions obligations.

£150 million has been invested in the facility, which generates up to 43MW of power, 34MW of which feeds into the local electricity supply network to reduce reliance on fossil fuels. Any surplus power generated goes back into the system to assist in powering the facility.

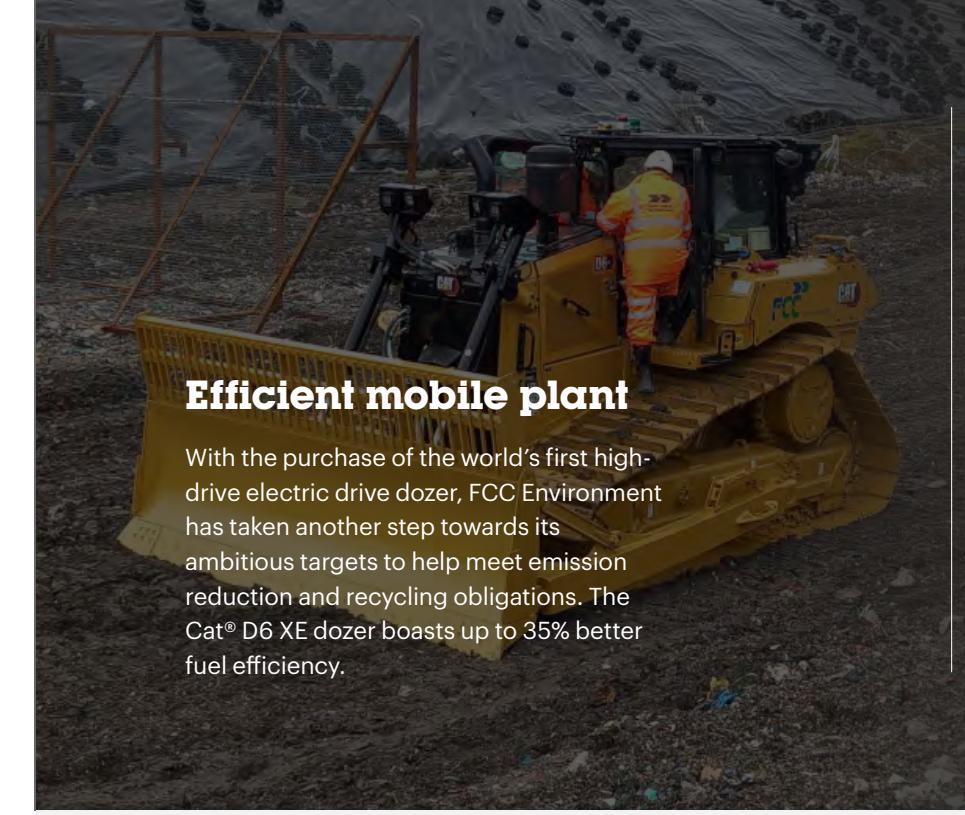


Above left:
Eastcroft EfW has dramatically reduced the volume of gasoil

Above:
Continuous Emissions Monitoring System (CEMS), at Allington in Kent

Above right:
The world's first high-drive electric drive dozer

Below:
Morgan Sindall Infrastructure's Barking Riverside Extension Project



Efficient mobile plant

With the purchase of the world's first high-drive electric drive dozer, FCC Environment has taken another step towards its ambitious targets to help meet emission reduction and recycling obligations. The Cat® D6 XE dozer boasts up to 35% better fuel efficiency.

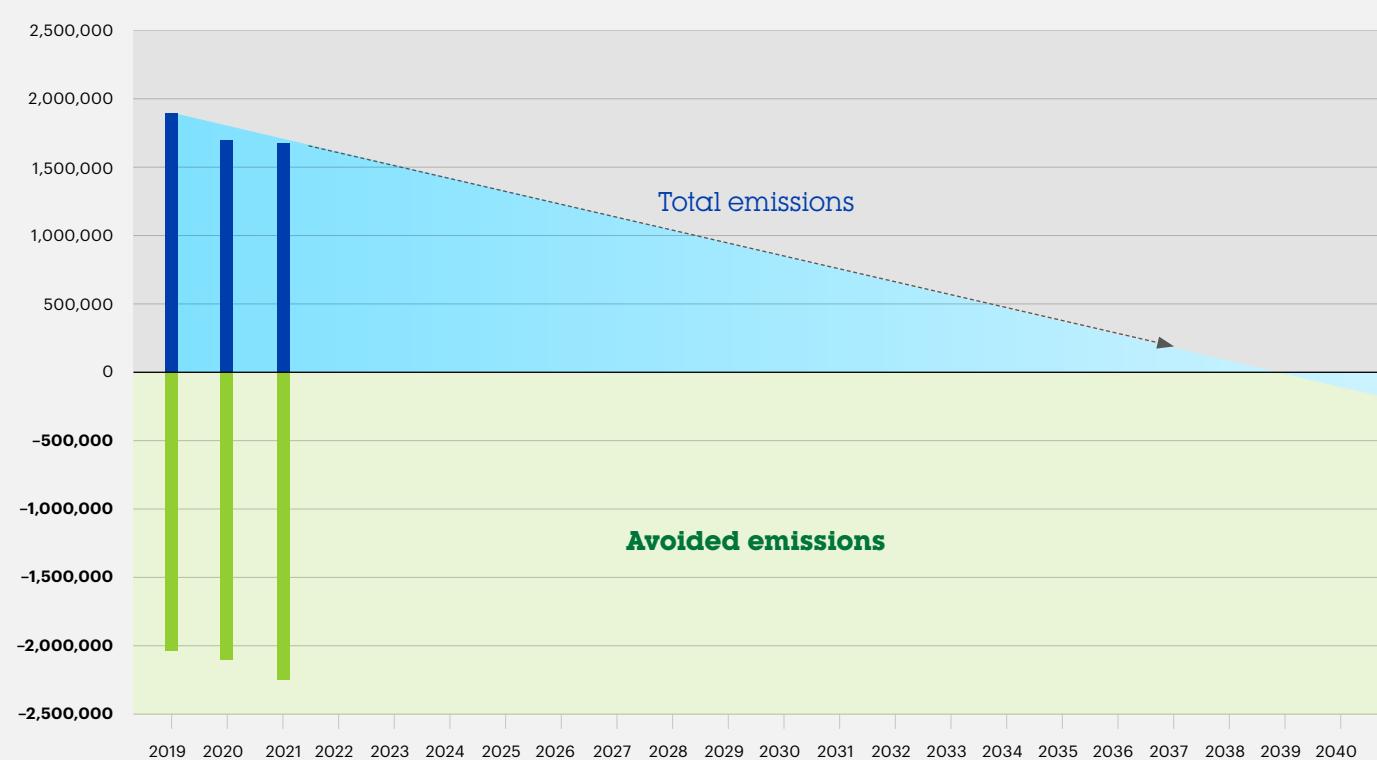


We were looking for a partner that we could engage with on a regular basis to drive efficiencies through effective use of telemetry and condition monitoring, as well as contributing to our sustainability goals in a measurable, substantive way."

Chris Ellis
Landfill Operations Director
FCC Environment

- █ Reduction target
- █ Total emissions (tonnes CO_{2e})
- █ Avoided emissions (tonnes CO_{2e})

Total emissions against target and avoided emissions



Land restoration

Land restoration creates valuable sites for wildlife, but it doesn't stop there. At FCC, we carefully manage our sites to provide valuable habitats, grow low carbon fuels, and even process contaminated soils for reuse.

Future energy

As our old landfill sites and quarries are decommissioned, we transform them back into spaces for nature. Planting miscanthus grass – also known as elephant grass – at some of these sites has produced over 420

tonnes of energy crops, which will typically produce 1,983 MW of low carbon energy – enough to power around 531 homes for a year.



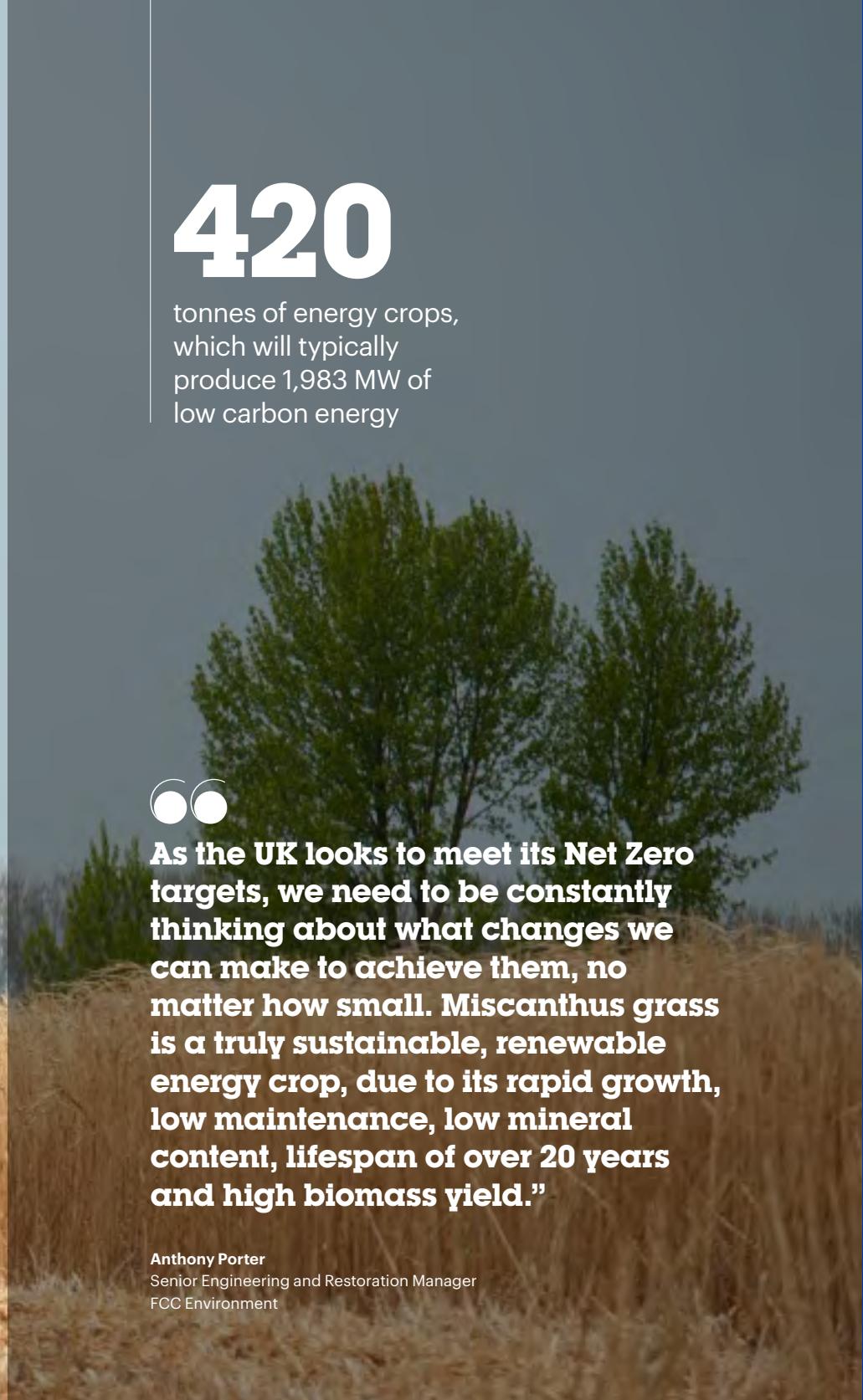
420

tonnes of energy crops,
which will typically
produce 1,983 MW of
low carbon energy



As the UK looks to meet its Net Zero targets, we need to be constantly thinking about what changes we can make to achieve them, no matter how small. Miscanthus grass is a truly sustainable, renewable energy crop, due to its rapid growth, low maintenance, low mineral content, lifespan of over 20 years and high biomass yield.”

Anthony Porter
Senior Engineering and Restoration Manager
FCC Environment



50,000

The new hazardous soil treatment facility can manage an annual capacity of 50,000 tonnes



FCC Environment and Provectus open hazardous soil facility

In May, FCC Environment and Provectus Soils Management Ltd (Provectus), a specialist in the management and treatment of surplus soils, partnered to open a new hazardous soil treatment facility to the south of Leeds.

Contaminated soils are sent to the Welbeck facility for treatment to allow the recovery and reuse of the soils. The site has an annual capacity of 50,000 tonnes and will use the processed soils in the restoration of the adjacent landfill site.



Conservation creates butterfly haven

FCC Environment is celebrating 10 years of conservation management at Penny Hill, a former landfill site that is now home to more than 400 different butterfly and moth species.

By 2011, the site, which is located on the outskirts of Worcester, was recognised

as a significant habitat for butterflies and moths when a member of West Midlands Butterfly Conservation spotted a dingy skipper – a rare species of butterfly. Penny Hill is now home to the largest population of dingy skipper in Worcestershire



At FCC Environment, we are committed to caring for our environment and recognise the importance of supporting different insect species. It's great to see the land at Penny Hill restored to such high biodiversity value and providing a habitat for a significant population of butterflies and moths."

Alexandre Cal
Restoration and Ecology Manager, FCC Environment



Highlights & Investments

2021: Innovation and Awards

Our technology has to be state-of-the-art if we are to gain the most value from the material we collect. But this year, we have taken things a step further with innovative recycling points and a revolutionary AI, waste-picking robot.

Our award-winning teams continue to keep us at the top of our industry and, in 2021, our contracts also topped the tables, with our partnership between Bracknell Forest,

Reading and Wokingham Borough Councils and FCC Environment achieving 50% recycling!

We have focused on the big numbers, but not forgotten the smaller items that are sometimes overlooked, like plant pots and spectacles. FCC sites have appeared on our TV screens, while we celebrated 500,000 deliveries to our Allington facility by planting 500,000 wildflower seeds.

United Nations sustainable development goals



Down-to-earth recycling:

Cricklewood,
North West London

FCC Environment is celebrating one year of operation from Cricklewood Rail Freight Terminal, North West London. Over the past year, the site has received 250,000 tonnes of construction soil from projects such as HS2 and new housing developments.



Aggregate and waste terminals play an important role in London's construction market, taking an estimated 1,000 lorry journeys off the capital's congested road network every day."

Roger Neary
Head of Sales, DB Cargo UK



Bucks loves BRITA recycling

Buckinghamshire Council has worked with FCC Environment and BRITA to become the first in the UK to accept BRITA water filters for recycling. Many parts of Buckinghamshire are categorised as having very hard water, and more and more people are choosing to use a water filter jug rather than buying bottled water. Now, new collections points for BRITA water filters have been added at five Household Waste Recycling Centres in Buckinghamshire.



Contract wins

East Lothian Council signs contract with FCC

East Lothian Council has signed a contract with FCC Environment to provide all of its food waste and recycling collections, for 54,000 properties across the area.



With the population expected to grow significantly over the length of the eight-year contract, FCC Environment has a clear focus on driving up material recycling rates, in line with the Scottish Government's Household Recycling Charter."

Tom Reid
Head of Infrastructure, East Lothian Council

Award-winning Allington

In May, Allington Household Waste Recycling Centre, Kent, won Best Use of Design and Technology in a Waste Management Facility at the Letsrecycle Awards for Excellence in Recycling and Waste Management. The facility is designed to operate without interruption – a split-level design also incorporates many environmentally-friendly features such as solar panels and rainwater harvesting. Even the aggregate used in the build is a recycled composite made from plastic bags that have been thrown away.



The Allington Household Waste Recycling Centre is truly 'state-of-the-art' and meets a long-held ambition to provide an extra recycling centre in this part of Kent."

Susan Carey
Cabinet Member for Environment, Kent County Council

Local authorities

Litter Cube makes its debut

Central Bedfordshire Council and FCC Environment debuted their new Litter Cube in the Market Square, Leighton Buzzard.

The cube contained litter picked in the area in just one day. The visual reference is a way of encouraging residents to litter less, and feedback shows it has already made a big impact.

All this was
literally
collected from this
street yesterday



Potty Park Benches

A plethora of pots has been turned into new, recycled park benches in Wigan, Lancashire. During the lockdowns, Wigan Council noticed many more plastic gardening pots being sent to their three recycling centres. The pots have been turned into four park benches so far, using recycling manufacturing partners, S. Norton and Axion Polymers.

FCC Environment Director Steve Longdon said:

"Whilst it never ceases to amaze me what people throw away, it also never ceases to amaze me what can be done with unusable items with a little creative thought."



There is no real market for selling used plant pots, and it seems such a shame items like this effectively become single use plastics, so we went on the hunt for alternatives and have put them to good use."

Tracy Roe
Area Supervisor, FCC Environment



Plastic-Free Amersham

In July, FCC Environment teamed up with Buckinghamshire Council to support Plastic-Free Amersham. The pop-up event was designed to encourage residents to think about how much plastic they purchase. Visitors gained advice on plastic recycling, could purchase a reusable coffee mug, and learnt handy tips for minimising plastic usage and where to reuse and recycle different plastic types.



Record-breaking year for re3

re3, the partnership between Bracknell Forest, Reading and Wokingham Borough Councils and FCC Environment, is celebrating a record-breaking year.

The Annual Environmental Report showed less than 10% of household waste was sent to landfill, which is the best performance since the partnership began in 2006 – all three councils increased their recycling rates to over 50% for the first time. 2021 also saw the launch of re3paint, a community reuse scheme aiming to reduce paint waste and encouraging circular economy take-up.



Our employees' hard work was recognized in the annual survey. Site staff were awarded a 98% user satisfaction score by the recycling centres' users, which is so encouraging, and a great pat on the back."

Rory Brien, General Manager, re3



Industry awards

Rising star wins National Recycling Award!

Tia Wills, who is part of FCC Environment's North Northamptonshire Council refuse crew, was picked as the industry's Rising Star at the National Recycling Awards.

The judges commented that Tia was an amazing person who really stood out from the pack, and a truly positive person who is an excellent representative for the industry.

"What a fantastic result and it was a real pleasure to attend the ceremony and watch Tia's face light up when her dedication and hard work was recognised by the whole waste and recycling sector. I would like to thank Tia and her hundreds of colleagues within our business for their huge efforts at all times."

Paul Taylor
Group Chief Executive,
FCC Environment



Risk Excellence Awards

Congratulations to our Health and Safety teams, who picked up two awards at the International Institute of Risk and Safety Management (IIRSM) Risk Excellence Awards.

FCC Environment won the Barry Holt Award for Outstanding Risk Practice, and Paul Stokes, Head of Safety, Health, Environment and Quality (SHEQ), was awarded the IIRSM President's commendation.

The awards recognise organisations, teams and individuals that have gone above and beyond to manage risk and keep people safe, whilst demonstrating resilience during the challenges of the pandemic.



It's great to be able to demonstrate the circular nature of recycling garden waste. I hear the pupils of Highcrest Academy have enjoyed digging it into the ground and seeing the fruits of their own gardening labours."

Gemma Green
Buckinghamshire Waste Awareness & Education Manager, FCC Environment

Compost for School: National Gardening Week



To celebrate National Gardening Week, FCC Environment was delighted to provide 15 bags of compost made from Buckinghamshire garden waste to local school, Highcrest Academy. Teachers and pupils at the school received the compost as part of the school's social and therapeutic horticulture programme.

FCC's composting facility at Sutton Courtenay produces PAS 100-accredited

soil conditioner from waste delivered to its nine Household Waste Recycling Centres (HWRCs) across Buckinghamshire.

Soil conditioner can be used for agriculture, public parks, allotments, home gardens and schools. At Highcrest Academy, the compost has been used to create a garden where fruit, vegetables and flowers are grown.



Left to right:

Steve Longdon
Policy, Strategy &
Partnerships Manager,
FCC Environment

Shaun Askins
Service Manager,
Strategy & Sustainability,
Luton Borough Council

Sinead McNamara
Policy, Strategy &
Partnerships Manager,
Luton Borough Council

Jon Mellings
Contract Manager,
FCC Environment



BBC One show, Dom Digs In

The series sees presenter Dominic Littlewood on the front line with some of the UK's most essential workers

Dom Digs In

Three employees from FCC Environment have played a starring role in the BBC One show, Dom Digs In. The series sees presenter Dominic Littlewood on the front line with some of the UK's most essential workers, many of whom kept the country going throughout the COVID-19 lockdowns.

In the Waste episode, Dom discovered how our waste is turned into energy to power homes and businesses. During the programme, he was shown around FCC Environment's High Heavens waste transfer station and Greatmoor Energy from Waste (EfW) facility, Buckinghamshire, by Gillian Sinclair, FCC Environment's Head of Development, Green Energy Division.

Waste Operator James Jackson and Front End Loader Justin Bailey showed their skill and aptitude on screen and their positive attitude to their roles was a credit to our company and to our industry.

Spec-tacular recycling in Suffolk

Recycling centres in Suffolk were keen for spectacle recycling to continue during the pandemic. However, in 2020, the previous recycler stopped taking them and, with no new recycler 'in sight' to take them away, it was feared that old glasses and specs would end up being discarded.

Recycline stepped into the breach. The company has a background in recycling PVC windows, and uses the same technology to recycle eye glasses. The spectacles are poured into a grinder, before plastic and metal fragments are separated and sold on to manufacturers to make other products, including more spectacles.



FCC's jumbo news

FCC Environment is trumpeting about its sponsorship of a vibrant elephant sculpture, included in Love Luton's art trail. The Keech Hospice Care's Big Trunk Trail 2021 showcased more than 70 elephants in bright colours all over the town's streets, parks and landmarks.

Our company sponsored the Colour Pop Pachyderm – a work of art, dazzlingly designed by local artist Holly Foster #thehaphazardhorticulturalist.



The trail celebrated 30 years of Keech Hospice Care, which provides much-needed specialist care.



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We are extremely proud to have reached this very significant milestone. Six million tonnes of waste diverted from landfill and converted to energy is a real achievement for us. And it was great to welcome our 500,000th delivery too! We are focused on continuing to exceed performance expectations as we carry on creating valuable electricity, jobs and community support for the county."

Tony Stanbridge
General Manager, FCC Environment

Major milestone: 500,000 deliveries to Allington

Allington Integrated Waste Management Facility, in Kent, has reached the huge milestone of welcoming 500,000 deliveries to the site and processing six million tonnes of waste. This has reduced the amount of material going to landfill by 93%, converting it to 554,000 MWh of energy. This is enough to power 29,000 homes across the county.

To celebrate the occasion, the FCC Environment team planted 500,000 wildflower seeds on the grassy knoll adjacent to the staff rest area.



Welcome to the future: The Recycleye Robot

In September, re3 – the waste management partnership between FCC Environment and Bracknell Forest, Reading and Wokingham Borough Councils – announced a game-changing innovation: the installation of the UK's first retrofittable, AI-powered robotic waste picking system of its kind, the Recycleye.

The waste-picking robot is able to perform the physical tasks of identifying, picking and placing materials at a rate of 55 successful picks per minute. The intelligent picking system, powered by Recycleye Vision – an AI computer vision system – detects all individual items on waste streams by material and object. This is futuristic recycling industry design at its best.

www.re3.org.uk
recycleye.com
Follow: @re3recycling

55

Identifies, picks and places items at a rate of 55 successful picks per minute

75%

Weighs 75% less than any existing robotic waste picker on the market

Zero

Incurs zero retrofit costs, enabling MRFs to scale automation across all waste sorting lines

INTEGRITY
ENGAGEMENT

FCC Environment brand value
People Focus

People Focus

International Women in Engineering Day

International Women in Engineering Day is the world's largest initiative celebrating the achievements of women in engineering and allied roles.

The theme for 2021 was Engineering Heroes.

Visit www.inwed.org.uk

At FCC Environment, we work hard to challenge perceptions that our industry is 'male dominated'. As well as employing women in many of our top engineering and graduate roles, we celebrate International Women in Engineering Day, as well as highlighting the wide-ranging career opportunities available to women in the waste and energy sector.

United Nations
sustainable development goals



Case Study

Women in Engineering: Mar Martinez-Casas Performance Team Leader, Allington EfW

Mar Martinez-Casas has worked in the waste and recycling sector for the past 10 years. Initially working as an environmental technician, she moved to Allington Energy from Waste (EfW) to take up the role of performance engineer. In 2016, Mar became the performance team leader.

Mar's role is to provide technical guidance for the operation of the Allington plant, as well as investigating any environmental concerns and production losses, and implementing improvement projects. She is also responsible for supervising contractors, mainly during planned outages.

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I love that I can make a big difference by bringing improvements to the plant – for example through controlling the bed quality, where I helped achieve a significant £1.4 million cost saving for the company. Of course, you cannot have such a big impact every day. I really enjoy being out in the plant, if we're facing an issue. I want to be there to see what it is – fresh information really helps to bring about potential solutions.”

Mar Martinez-Casas
Performance Team Leader, FCC Environment



Meet FCC's female engineers

At FCC, we actively encourage women to join our teams. Our female engineers keep everything running smoothly, solve problems and analyse performance.



“There is a huge diversity of jobs at all levels for women in the sector, and the technical challenges and opportunities are endless. I hope that International Women in Engineering Day helps to inspire more women to enter the profession.”

Lesley Callaghan
Head of Human Resources, FCC Environment



Aneta Latka

Process Technician, Allington EfW



I started in the industry as a picker sorter at a MRF and climbed the career ladder from there. I've worked at Allington EfW since 2009 and I'm currently on secondment as a process technician, ensuring that everything is running smoothly, performing well and that colleagues are safe. If someone is considering a career in engineering, I would encourage them to follow their dream."

Women's Engineering Society's 'Lottie' on tour with FCC Environment

'Lottie' is a female doll who travels the country visiting engineering hotspots, to shine a light on female engineers. The WES Lottie Tour, organised by the Women's Engineering Society, visited Kent's Enviropower EfW facility in November. One of the aims of the initiative is to show the range of engineering and related careers available, and to encourage young children to think about studying STEM (Science, Technology, Engineering and Mathematics) subjects.



Andrea Escudero-Palmeiro

Assistant Mechanical Engineer, Allington EfW



Before joining FCC Environment, I worked on the development of new biomass plants in Madrid, where I had the opportunity to learn all about the early steps when building brand-new plants. I joined FCC Environment in 2017, spending around two years in the Graduate Management Trainee Programme. During that period, I had the chance to rotate through different roles to have a complete view of the EfW business, which was equally interesting and challenging.

These roles were performance engineer, where I was responsible for monitoring and analysing the plant's performance on a daily basis, and process support technician, which gave me hands-on experience in how the plant is operated, supporting my technical knowledge. Then I moved to the maintenance team, where I started my current job, which consists of developing projects to maintain our plant, as well as reacting quickly to unplanned failures. It may sound cliché, but it is very rewarding to work in an industry that is beneficial to the planet, as this aligns with my personal values."



Highlights

Letsrecycle Awards for Excellence

FCC Environment and partner North Northamptonshire Council (NNC) were delighted to make the finals of the 2021 Letsrecycle Awards for Excellence in Recycling and Waste Management after the waste crew was nominated for Collection Crew of the Year!

There were a record number of entrants and FCC Environment made it to the final three. Special mentions went to crew members Tia Wills and Dennis Filippetti.



Your local waste and recycling crew needs you!

FCC Environment's national recruitment drive is providing valuable new training for key worker drivers.

Faced with a national shortage of qualified LGV 1 and 2 drivers, FCC is helping people to get on the road to a new career and keep essential recycling and waste services running in their local community.



New FCC Achievement Awards

At every level of our business, FCC staff excel. In 2021, we revamped our company awards scheme to allow us to recognise this commitment more regularly. The New Achievement Awards & Outstanding Achievement Awards present monthly winners with high-street vouchers up to £500, with a lump sum of £2,000 and trophy awarded twice-yearly for outstanding achievement.



35 under 35

Contract Manager James Reseigh made Letsrecycle.com's '35 under 35' awards list for 2021, after being chosen from more than 130 entries. This is a community of young professionals all working to improve the waste and recycling sector. Despite not placing in the top three, it's a great achievement – congratulations to James.

**FCC ENVIRONMENT
ACHIEVEMENT AWARDS**

fcc
Environment

Anti-Slavery Week:

Standing together against exploitation

Human trafficking is happening all around us... but with the right training, education, and an ongoing commitment to prevent trafficking and slavery, we will tackle this horrific practice together.

As well as highlighting the warning signs for members of staff, FCC Environment updates its Modern Slavery Statement every year. For Anti-Slavery Week 2021, we reinforced our key messages to help staff spot danger signs to save lives, and also engaged staff in activities to boost awareness and raise funds.

Our Modern Slavery Statement

Our Modern Slavery Summary is incorporated into a mandatory training module for all employees. Our finance department also ensures that all new suppliers either complete our Modern Slavery Questionnaire, or supply us with their own policies before any works are undertaken.

A copy of our Anti-Slavery Policy can be accessed at:

www.fccenvironment.co.uk/about-us/policies-and-certificates/anti-slavery-and-human-trafficking-policy

We ensure that all staff know what to look for, and how to report concerns.

#wastesectorsayszero

During Anti-Slavery Week 2021, staff throughout our business took part in the #wastesectorsayszero campaign, to show that we are stamping out exploitation together. Staff took photos of their hands, with the word ZERO written on them, to post on social media.

Turning the lights on exploitation

During the week, our Northampton site changed the uplighters around the building to light up red in honour of this week!



We are committed to seeking to ensure that there is no modern slavery or human trafficking in our supply chains or in any part of our business. Our Anti-Slavery Policy reflects our commitment to acting ethically and with integrity in all our business relationships, and to implementing and enforcing effective systems and controls to ensure that slavery and human trafficking are not taking place anywhere in our supply chains.”

Paul Taylor, Group Chief Executive, FCC Environment

Addressing the skills shortage – Apprenticeships

Lesley Callaghan

Head of Human Resources, FCC Environment

Over the past year, skills shortages have rocked every corner of the UK economy, including the waste and recycling sector. Data from Energy and Utility Skills shows there were over 15,300 job postings in the sector in the year ending 31 October 2021 – up by 50% from the previous year.

Of these 15,300 jobs posted, just 1.2% were apprenticeships. As an individual waste and recycling management company and a sector as a whole, we must do more to find, engage and upskill the next generation of workers. Never has this been more mission-critical as we look to increase the amount of materials we recycle, while minimising the waste we send to landfill – turning these into valuable energy resources to power our homes and businesses.

Apprenticeships are a great alternative for those looking for paid employment while developing their skills and experience. There are, of course, also clear benefits

for employers as well: data from the National Apprenticeship Service shows that 96% of employers with apprentices have experienced at least one benefit from taking on apprentices, and most can count at least eight benefits. These range from reduced staff turnover to increased morale for other staff, as apprentices' contagious enthusiasm rubs off on other staff members.

At FCC Environment, we have a long-standing commitment to providing career growth and bright futures through our apprenticeships. We have seen first-hand the value they provide to our people and our business, and I would encourage our peers across the sector to make the same commitment as we look to address skills shortages, diversify our workforces and help the country meet its recycling and net zero goals.



Some of our great apprentices



» Thomas Hollingsworth
Maintenance Engineer,
Lincolnshire

1 year into a 4-year apprenticeship

"I enjoy the problem solving involved within the job as well as being able to complete an HNC qualification."



» Vitalij Nikanorov
HGV Technician,
Dunstable

4 months into a 3-year apprenticeship

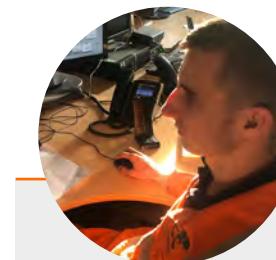
"The apprenticeship has offered me the opportunity to learn new skills."



» Sara Bamber
Business Support,
Wigan

18 months into 3-year apprenticeship

"I'm learning more skills related to my current role and gaining more knowledge in different areas of the industry."



» Keelan Baldwin
Process Technician,
Knostrop

2 years into 3-year apprenticeship

"Operating and maintaining waste treatment systems is a great start to my career in the chemical industry."

Future talent

Graduates and Apprentices

FCC Environment is always looking to the future. That means investing in people, as well as in technology. We offer a thriving Graduate Programme and take on a number of graduates each year, as well as offering apprenticeships. Over 18 months, trainees learn every part of our business.



» **Laura Bruce**

"During my time at FCC Environment, projects have included the running of the company's first reuse pop-up shop and the roll-out of Thrive, our social value software. I have enjoyed every minute."



» **Tolu Osinibi**

"When I first applied, I knew little to nothing about the waste industry. It was a steep learning curve, but I have gained skills and technical knowledge that will carry me forward in my career."



» **Sally Hood**

"I have taken on a degree in Business Leadership and Management with the Bishop Grosseteste University in Lincoln. This teams with a Chartered Management apprenticeship at FCC Environment. I am approaching 50 years' old and this shows you can progress and learn at any age."



» **Will Soul**

"I have gained in-depth knowledge of the waste sector from working alongside industry experts who have mentored me in my personal development."



» **Chloe Knowler**

"I have found hands-on experience to be one of the most valuable elements of the programme. You get out what you put in, so make the most of it – but most of all, enjoy it!"



» **Tanya Thrower**

"I was the first ever internal candidate without a degree on the Graduate Programme, but I needn't have worried. I am now a site manager, and every day, I thank all of those around me for the opportunities and the encouragement people have shown."



» **Rajan Samra**

"The Graduate Programme has given me a much more hands-on approach to engineering."



» **Toby Goodwin**

"I wanted to be in an environmental role that would allow me to grow both personally and professionally. The Graduate Scheme has been just that."



» **Jeffy Geejson**

"The opportunity has helped me gain and improve both technical knowledge and soft skills."



» **Blair Ward**

"Since completing the FCC Environment Graduate Programme, I have been hired as a shift team leader. The programme gave me the technical and practical skills I need."



» **Laura Winter**

"The Graduate Programme has been a dynamic learning experience. The programme is what you make of it – you decide the route to take, progressing through your own development plan."



» **Konrad Wysocki**

"FCC Environment's programme meant I could work at a company with strong environmental credentials and great prospects for progression."



FCC Environment brand value
Doing the Right Thing

Doing the Right Thing

SHEQ Maintaining Excellence

In recent years, FCC Environment has achieved truly outstanding results in health and safety, and we are proud to have retained our high level of diligence and culture of safety. It is not enough to excel once; we need to maintain our lead and look for new ways to safeguard our staff, partners and members of the public.

United Nations
sustainable development goals



Lost time accidents

FCC Environment UK's main safety KPI is to measure Lost Time Accidents (LTA). This includes any accident which leads to an employee being off work for more than one day, and is a common KPI in the waste sector and throughout wider industry.

During 2021, we experienced a 7% improvement in Lost Time Accidents – 44 in 2020, versus 41 in 2021 – and a 5% improvement in the Lost Time Accident Frequency Rate (LTAFR) – from 8.20 in 2020 to 7.75 in 2021.

Best practice

During 2021, FCC Environment UK maintained BSI certification to the latest versions of four globally-recognised standards at all FCC Environment UK sites:

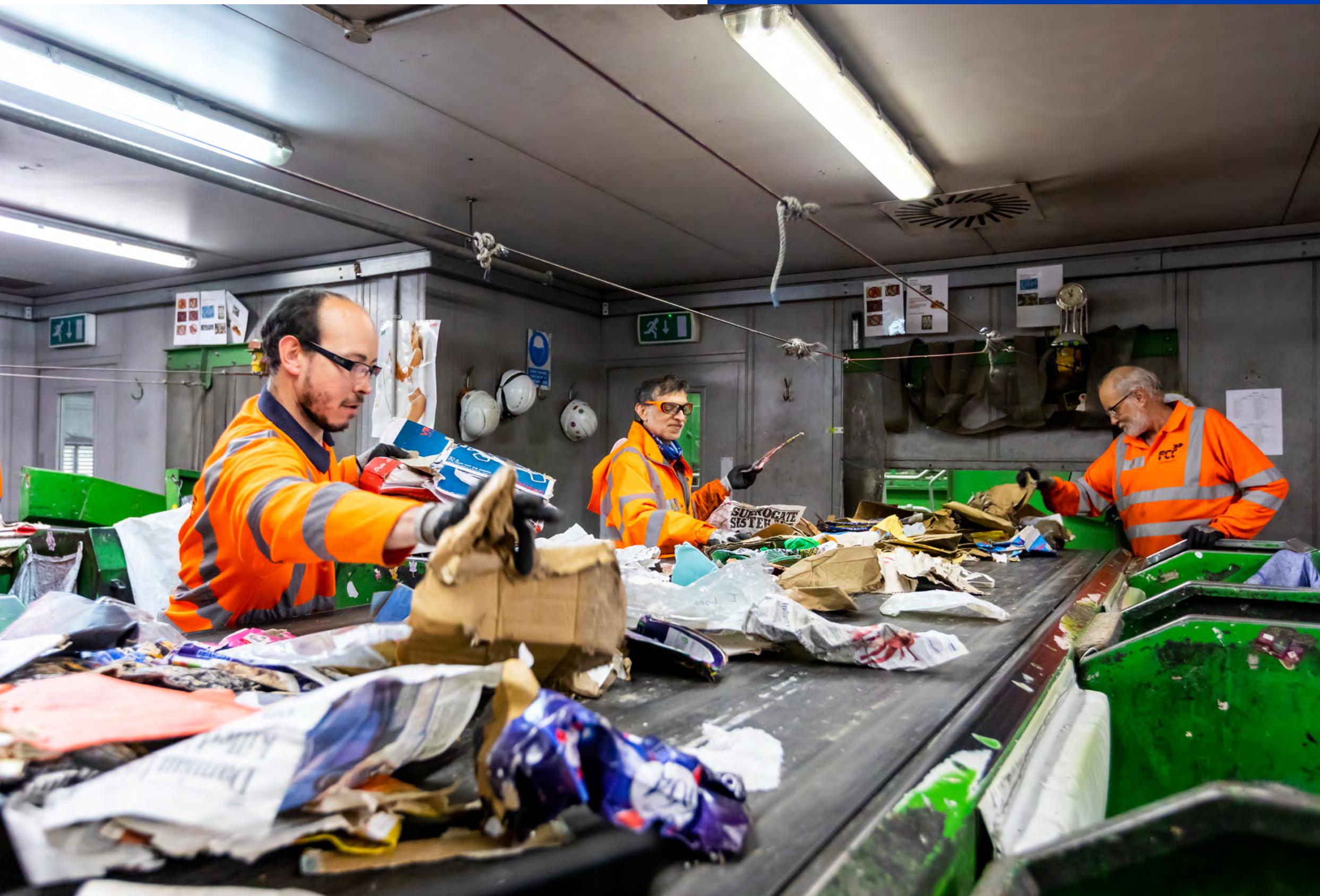
- ISO 9001 (quality)
- ISO 14001 (environmental management)
- ISO 50001 (energy management)
- ISO 45001 (health and safety)

This certification enables the group to demonstrate best practice in protecting and growing its business, by ensuring and proving that it is wholly committed to occupational health and safety, environmental management, energy efficiency and quality.

15%

All accidents reduced
from 275 in 2020,
to 233 in 2021, an
improvement of 15%





**Barry Holt
Award for
Outstanding Risk
Management**

**President's
Commendation
Head of SHEQ**

Winning at Safety

In 2021, FCC Environment UK was successful at the International Institute of Risk and Safety Management (IIRSM) Risk Excellence Awards. FCC Environment won the Barry Holt Award for Outstanding Risk Management Practice, and the Head of SHEQ won a President's Commendation.

It is always a challenge to have the courage to put our team, our people, and our systems to the test of internationally-respected external organisations, such as the International Institute of Risk and Safety Management (IIRSM) and the British Standards Institute.

These results are testimony to the dedication of all within FCC Environment UK, and the extraordinary efforts, time and trouble that we put ourselves through to achieve such results, especially through these challenging years. Well done to all the teams involved!

Paul Stoke
Head of Safety, Health,
Environment and Quality (SHEQ)



Hitting Targets, Enhancing Lives

The argument for greater reuse can be found throughout UK policy. In 2020, UK reuse resulted in a carbon equivalent saving of 123,236 tonnes. We also know that reuse resonates with the public. In fact, they love it!

42%

42% buy second-hand items at least once every six months

44%

Nearly half (44%) have bought items from a reuse shop at the local HWRC*

*FCC-commissioned, independent YouGov research



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The difference Enfys made to my family is outstanding, as I would not have had a mattress for me and the girls to sleep on for God knows how long."

Maximising benefits

The carbon impact of reuse is huge. Through our partnerships with charities and local authorities, we also ensure that reuse brings added benefits for the most marginalised in our communities.

Reuse shops provide a valuable income for a wide range of charities and projects, from hospices and homeless charities, to organisations like the Enfys Foundation in

Wales, which provides starter packs for victims of domestic abuse, ex-prisoners and recently homeless people.

In 2021, we trialled pop-up shops and ways to make drop-off for reuse more appealing. This year, we're on course to make reuse even more accessible, and bring even greater benefit!

Reading's pop-up shop

At Re3 recycling centre's first-ever weekend pop-up reuse shop, Reading residents had a new way to donate items and pick up a pre-loved bargain.

Profits from the event were donated to the Sue Ryder charity, as well as being ploughed back into improving recycling facilities in the area.



State-of-the-ARK hardware

In September, FCC Environment and North West Computer Museum called on residents in Wigan to dig out their old state-of-the-ark technology for an exhibit at an exciting new museum.

Featuring tech devices all the way from the 1970s to date, the museum will help train people of all ages in internet safety,



as well as in the use of retro computers, different programming languages, and the programming of electronic boards such as Arduino/Raspberry Pi. In the future, it will set up City & Guilds Courses to allow people to gain qualifications in the IT field as well as clubs for retro computing.

Torfaen – back in business

Residents in Wales were excited to see the reopening of the Steelhouse Reuse Shop next to the Household Waste Recycling Centre in Torfaen. Retail experts were enlisted to spot real 'treasure amongst the trash' and give items a new lease of life.

The shop, which is run by the charity Wastesavers, in partnership with Torfaen Council and FCC Environment, sells a range of stock, including furniture, sports equipment and children's toys.



Reusing items is an excellent alternative to other waste management methods, which produce greenhouse gases, so it will help us to achieve our goal of Torfaen becoming net carbon zero by 2050."

Councillor Mandy Owen
Executive Member for the Environment
Torfaen County Borough Council

BBC show transforms trash

The hit daytime BBC One TV show Money for Nothing set the scene at FCC Environment's High Wycombe and Beaconsfield Household Waste Recycling Centres.

In the show, presenter Sarah Moore transforms every-day donations into new, valuable items which are then sold.



The concept behind Money for Nothing is a fantastic way to show the public that there is still value in items that people may consider rubbish. We are really looking forward to seeing what the items are transformed into and how much they can get for them when the show airs."

James Reseigh
Contract Manager, FCC Environment



Delivering social value

FCC Communities Foundation

FCC Communities Foundation is a not for profit business that awards grants to community, environmental and heritage projects through the Landfill Communities Fund and the Scottish Landfill Communities Fund. Funding is donated by FCC Environment as part of these voluntary environmental tax credit schemes, to divert a small percentage of Landfill Tax to projects in England and Scotland. FCC Communities Foundation currently operate two grant programmes. In 2021, 19 of the 28 applicants were awarded funding, totalling £524,976.

All applications are appraised to ensure funding goes to projects which are compliant with the relevant legislation and also deliver positive and tangible outcomes for communities.

£6.1m

During 2021, 112 CAF projects and 14 SAF projects reached completion and FCC Communities Foundation made payments of over £6.1 million in grant funding.

FCC Community Action Fund (CAF)

FCC's Community Action Fund is available to projects in England. Applicants can apply for funding of between £2,000 and £100,000, and the total project cost must not exceed £500,000.

During 2021, 183 applicants applied for CAF funding, with 132 successful projects receiving funding totalling £6,159,609.

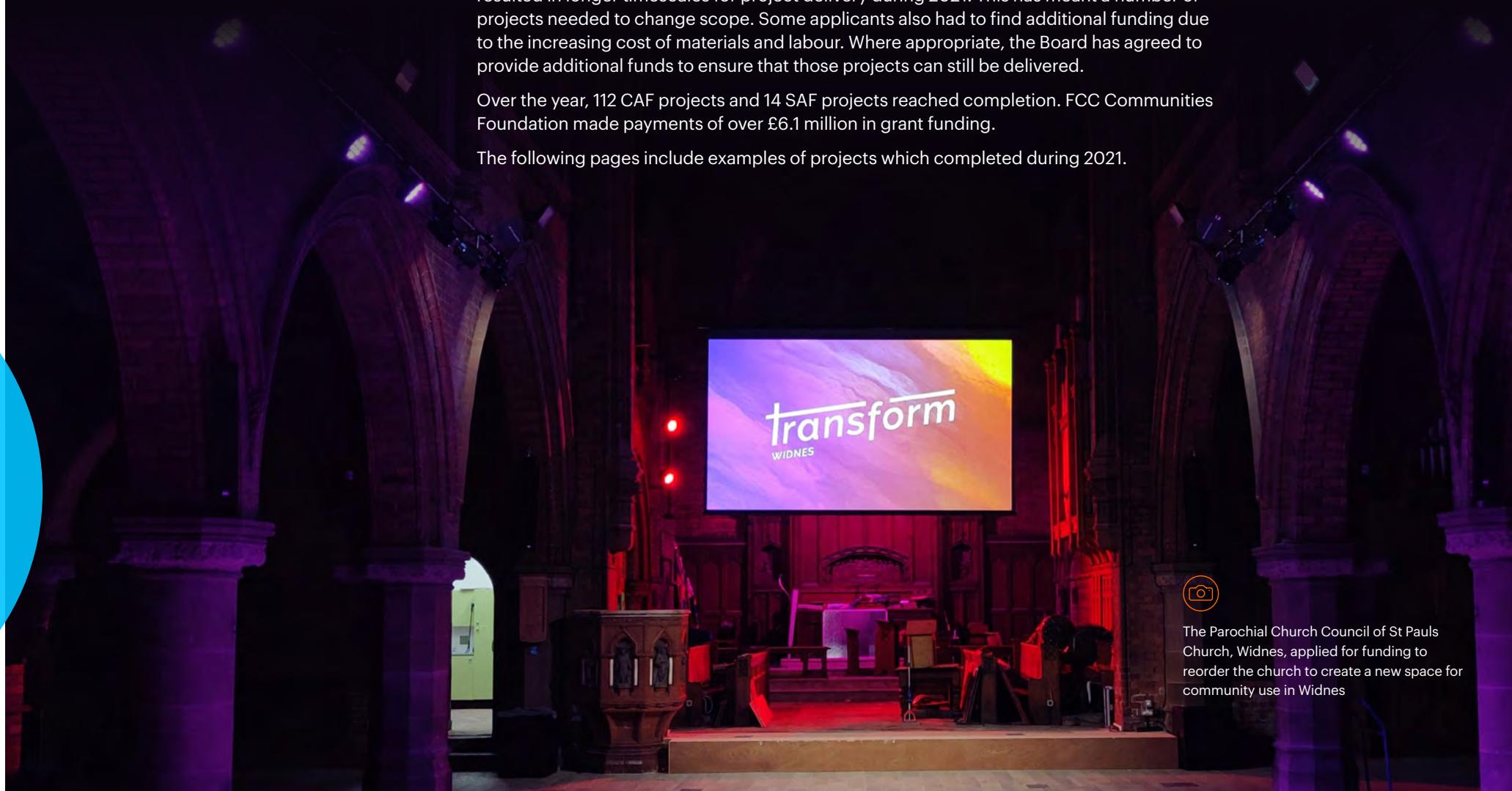
The effects of the Covid pandemic, along with material shortages and transport disruptions, resulted in longer timescales for project delivery during 2021. This has meant a number of projects needed to change scope. Some applicants also had to find additional funding due to the increasing cost of materials and labour. Where appropriate, the Board has agreed to provide additional funds to ensure that those projects can still be delivered.

Over the year, 112 CAF projects and 14 SAF projects reached completion. FCC Communities Foundation made payments of over £6.1 million in grant funding.

The following pages include examples of projects which completed during 2021.

FCC Scottish Action Fund (SAF)

The Scottish Action Fund covers projects based north of the border. Applicants can apply for funding of between £2,000 and £40,000 and the total project cost must not exceed £250,000.



The Parochial Church Council of St Pauls Church, Widnes, applied for funding to reorder the church to create a new space for community use in Widnes

Discover Bucks wildlife

FCC Community Action Fund
Funding £79,000

Discover Bucks Museum's wildlife collection is one of the best in the country, with a superb range of taxidermy specimens donated to the museum over the years, including mammals, birds of prey, garden birds and comprehensive collections of butterflies and other insects. However, the museum had no dedicated space to display its collection.

The museum applied to the FCC Community Action Fund to purchase cases with environmental control and security, to keep specimens safe and show them off to the greatest advantage.

Selected star objects from each of the collections would be displayed in new, fit for purpose cases with redecorated gallery environments that enable visitors to see the diversity of wildlife in the county, experience species they have never

seen before, and learn about lost and newly-introduced animals.

The exhibition area also includes a floor-to-ceiling replica of the black poplar tree, with interactive features to highlight the fact that 50% of English black poplars are concentrated in Buckinghamshire.

The project was completed in late 2021 and forms part of a new Discover Bucks exhibition within the museum.



Visitors can see the diversity of the last 50 years' wildlife in the county and experience species they have never seen before



FCC Environment and FCC Communities Foundation staff at opening event.
Left to Right: James Reseigh, FCC Environment; Gemma Green, FCC Environment;
Mark Cheetham, FCC Environment; Mike Palmer, Discover Bucks Museum;
Richard Smith, FCC Communities Foundation; Sue Shave, Discover Bucks Museum

Widnes St Paul's amazing space

FCC Community Action Fund
Funding £68,000

The Parochial Church Council of St Paul's Church, Widnes, applied for funding to reorder the church to create a new space for community use. The project included new heating, toilets and entrances, making the space Disability Discrimination Act (DDA) compliant, and creating a safe, comfortable, and attractive community hub and venue.

The new space will be a venue for performing arts and a community hub, as well as a centre for contemporary Christian worship.

FCC Communities Foundation funded the cost of creating the performance space, as well as installing electrical works, underfloor heating, sound, lighting, and security alarms, alongside the creation of more accessible and welcoming entrances.

The project got underway in spring 2021. It completed in the summer, and has created a warm and welcoming 'Amazing Space', in the heart of the town of Widnes. This space will be used by the local community, community groups and the wider

town, to meet its social and physical needs.

As well as the obvious improvements to the usable space, the replacement LED lights and new underfloor heating have also reduced the facility's carbon footprint and heating bills.



Ulceby Village Play Park

FCC Community Action Fund
Funding £70,000

Ulceby Village's playground equipment was over 20 years old – tired, dull, and uninteresting. The application to FCC Communities Foundation requested funding for the installation of new play equipment and associated safety surfacing, and aimed to create a safe and sustainable play area for all ages and abilities to enjoy.

Ulceby Village Association managed the project. The aim was to ensure that the new play area offered a welcoming and friendly space for parents and grandparents, as well as the children.

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Ulceby Village Association was keen for the new play area to offer a wider range of equipment and be inclusive to all ages and abilities.

The project cost just over £84,000, with additional funding coming from the local parish council and local fundraising. Work commenced at the beginning of July and took four weeks. The finished play area has achieved all the aims, and now provides a safe, sociable and fun space for families to enjoy. It is already very well-used.

Grangemouth – Zetland Park boating pond

FCC Scottish Action Fund
Funding £40,000

Constructed in 1931, the boating pond was a popular feature of the park. In the 1990s, the pond was drained due to health and safety concerns, and it has since been left empty and derelict.

As part of the park's regeneration, Falkirk Council applied to FCC Communities Foundation to help develop the area into a wildlife pond.

The £300,000 adaption of the pond for wildlife involved new drainage, pond base and liner, and

waterproofing. Now complete, it has new pathways and boardwalks, a dipping platform, islands and peripheral planting beds.

FCC Communities Foundation contributed towards the hard landscaping work to repair the pond structure and paths, and the work was completed at the end of 2021. The planting work will be undertaken during spring 2022.





FCC Environment brand value
Forward Thinking

Forward Thinking

The impact of Extended Producer Responsibility

Reconomy Group company Valpak is the largest compliance scheme in the UK. It works with some of the best-known names in retail and manufacturing, and its database holds more information on packaging than any other UK resource. It is referenced by industry and government, and forms the basis of Valpak's work to advise packaging producers on data-driven change.

United Nations
sustainable development goals



Over the next two years, packaging producers face the greatest changes since the first Packaging Waste Regulations came into force in 1997.

The new Extended Producer Responsibility (EPR) legislation is one of a raft of new regulations that also includes Plastic Packaging Tax and the introduction of a Deposit Return Scheme (DRS) and Consistent Collections across the country. The package is designed to help the UK meet its target to recycle 65% of municipal waste by 2035. If the government achieves its goals, the changes will help to alleviate climate change and build a cleaner planet.

EPR is scheduled for 2024. Although some details are still to be decided, we do know that costs for business will rise significantly and that modulated fees – which charge a higher rate for

Steve Gough
CEO, Valpak



£114m

Funding for household collections has increased since the forecasts made during the consultation phase. An additional £114 million will now be available for household recycling, with extra funding of over £46 million for residual household waste.



Overall, compliance costs are expected to rise from £350 million to over £1.6 billion. Unlike the current system, where compliance is spread throughout the supply chain, EPR will place compliance at the door of brand owners, importers and online marketplaces. However, we can expect to see costs trickling through the supply chain.

As might be expected, the bulk of the costs cover recycling and disposal. At Valpak, we have also been pleased to see the introduction of a Communications Fund to encourage the public to take part. At £39 million, the Communications Fund far exceeds what was expected; in fact, it is 5,623% higher than billed in the original consultation.

For the waste industry, the new system

will generate valuable funding. With the retention of the Packaging Recovery Note (PRN) system, reprocessors will receive a share of £333 million to invest in infrastructure and equipment. This finance has been a vital building block in the journey so far, and it will continue to help UK reprocessors to expand and introduce new streams.

While the omission of business waste from the final consultation response will be a blow for local authorities, funding for household collections has increased since the forecasts made during the consultation phase. An additional £114 million will now be available for household recycling, with extra funding of over £46 million for residual household waste.

For packaging producers, the greatest change will be the detail of reporting required. When we surveyed customers last year, although 46% knew how EPR could affect their business, only 28% of these felt prepared. This was reflected in March, when the government delayed the first stage of the legislation to allow businesses enough time to prepare.

Data will be crucial. For a start, producers will be required to report twice a year instead of annually. But, in addition, we know that a far greater level of reporting will also be required. In particular, we can expect to see a demand for information on specific polymers, rather than a catch-all 'plastic' category.

Collecting data, and deciding where to make changes, is a time-consuming task. The packaging for many common household items consists of multiple items, often made from a variety of different plastics. For example, small waxed cheeses can incorporate five packaging elements, with only two widely recycled. Under EPR's new modulated system, these are likely to incur higher costs, unless the producer switches to more recyclable materials. Multiply this issue across thousands of product ranges, and the issue becomes clear.

At Valpak, we have been collecting data for 25 years and our EPIC database holds more information on packaging metrics than any other UK resource. We hold 33 million individual stock-keeping units (SKUs), and with the number increasing, our focus in recent years has been to gear-up tools that streamline the reporting process and help packaging manufacturers to base design changes on robust data.

Greater producer responsibility has the potential to bring about a transformation in the realm of packaging, but it comes with a major financial cost and need for rigorous reporting. Across the industry, we need to plan now for major change at every level.



Lipstick packaging ranges from aluminium and steel elements to glass, paper, and up to 12 types of plastic. Unrecyclable packaging will become more expensive for producers as modulated fees are introduced under EPR."

Steve Gough
CEO, Valpak



To find out more
call 0844 736 9992
fccenvironment.co.uk