

Materiality Assessment

April 2021 – March 2022

Introduction

In 2022, Hunt's Food Group conducted a materiality assessment in order to ensure we are responding to the issues identified as critical to our stakeholders and our business. This is the first assessment that has been completed for the business.

This materiality assessment refers to the level of importance environmental, social and governance topics have in relation to the business' success and its stakeholders.

The Hunt's Food Group materiality assessment encompasses company wide data from across all sites.

Company Profile

Established more than 60 years ago, Hunt's Food Group remains a family owned business that continues to stay true to the visions and guiding principles established by our founder. We supply high quality frozen, chilled, and ambient foods as well as fresh meats and produce to the retail and foodservice markets in the South of England and beyond.

To achieve this, we have 8 storage and wholesale facilities and over 100 distribution vehicles. Due to our vast range of customers, we have adapted to provide products and services that suit the needs of various sectors, such as: hotels and restaurants; pubs and casual dining; coffee shops; food to go; independent retail; online retail; health and social care; and recipe box solutions.

Hunt's Food Group also operate multiple facilities that manufacture a range of our own brand products. We have a selection of ice creams, homemade pies and pastries, pre-packaged dry goods, and fresh meat. In addition to this, we wholesale items manufactured under licence to our buying group Caterforce.

We also operate an independent supermarket, farm shop, café and two hotels in the West Country. These stock a wide range of products, which we manufacture in our own facilities.

In total, the group employs in excess of 500 people across Dorset, Somerset, Cornwall, and Hampshire.

What is a Materiality Assessment?

A materiality assessment is a review conducted by an organisation to assess its significant governance policy affecting the company's environmental and social impact on people and the planet. This is a document used to assess current performance, identify key metrics, and make commitments to development goals in line with future scheduled reviews.

Stakeholders

Hunt's Food Group has many stakeholders internal and external, examples of which are listed below:

Internal

- The Hunt Family and Shareholders
- The Board of Directors
- The Junior Board
- The Senior Management Team
- All staff employed by Hunt's Food Group

External

- 8000+ Customers
- 900 Suppliers
- Service providers and contractors (Pest control, maintenance, software & hardware)
- Governing bodies (EHO, FSA, HMRC)
- Accreditation bodies (BRC, SALSA, Soil Association, RTFA)
- The local communities
- Caterforce buying group
- Trade Associations (BFFF)
- Insurers (NFU Mutual)

Methodology

During 2022, Hunt's Food Group worked independently to conduct the materiality assessment to gather and validate stakeholder and business inputs.

We used a range of methods to gather and understand stakeholder and business inputs, including:









- A review of data collected from colleague and customer satisfaction and engagement questionnaires.
- Desk based research on the prominence of issues across other external outputs (e.g. Defra, Ipsos Mori, and other industry specific bodies)
- Senior management and board meetings and reviews

The importance to the business was determined through assessing various inputs, such as:

- Our purpose, objectives, strategies, and tactics
- Our long-term priorities and newly developed approaches
- Stakeholder expectations
- Risk management
- Company history and values

Commitment Matrix





The below matrix shows the result of our 2021 materiality assessment ranking:

Importance to Stakeholders	Major			<ul style="list-style-type: none">  Carbon Footprint  Product Quality and Safety  Employee Health, Safety, and Wellbeing
	Significant	<ul style="list-style-type: none">  Responsible Sourcing  Community Relations 	<ul style="list-style-type: none">  Diversity and Inclusivity  Customer Relations  Business Ethics 	<ul style="list-style-type: none">  Staff Attraction and Retention  Food Waste
	Moderate	<ul style="list-style-type: none">  Packaging Waste and Recycling 	<ul style="list-style-type: none">  Responsible Marketing and Brand Communication 	
		Moderate	Significant	Major
		Importance to Business Success		




Key:  **Environmental**  **Social**  **Governance**

Our Topics

Environmental Sustainability

-  This is about making responsible decisions that will reduce the business' negative impact on the environment.
-  The decisions made should be within the interest of protecting the natural world.
-  Processes should be developed to improve environmental sustainability in all our business practices.
-  As a group, a significant environmental impact is our carbon emissions from scope 1 (transport) and scope 2 (infrastructure), which we aim to reduce in line with our target to become Carbon Neutral in 2025 and Net Zero in 2035.

Social Sustainability

-  This aims to create a positive impact on the individuals and stakeholders with particular interest in the business. This includes employees, consumers, suppliers, and the local community, to name a few.
-  The social aspect of materiality reflects good ethics, honesty, and relationships and engagement etc.
-  It means to preserve future generations and to acknowledge that what we do can have an impact on others.

Governance Sustainability

- # This encompasses the system by which the business is controlled and operates, and the mechanisms by which it, and the people, are held to account.
- # Sustainability of governance refers to the control of the business which is both lawful and which promotes a good life, now and into the future.

Our Commitments

Social and Governance

- # Provide local communities and organisations with our £150,000 annual charitable giving commitment
- # Hunt's Company Advisory Group (CAG) provides engagement opportunities between employees and senior management
- # Employee engagement program:
 - o Hunt's Fest – annual team event
 - o Monthly staff raffle
 - o Charity events
 - o Frequent staff surveys
 - o Net promoter score
- # Maintain a good level of customer satisfaction and engagement through our customer engagement program, which includes:
 - o Satisfaction surveys
 - o ESG surveys
- # Invest in staff training, retention, and development opportunities:
 - o Mental Health First Aid training
 - o Anti-corruption and bribery training so employees know to resist bribery, fraud, and corruption.
 - o Management training program
 - o Staff retention KPIs
- # Create a diverse and inclusive workplace and improve our understanding of diversity in the workplace
- # Maintain a safe workplace for our employees, and help employees to lead healthier lives
- # Set and maintain the highest standards of food safety, quality, and compliance:
 - o BRC sites to achieve A grade or higher
 - o Food safety culture and employee feedback
 - o Achieving ISO45001 (Health and Safety accreditation)
- # Supporting local suppliers
- # Ensure suppliers have been audited to and can provide evidence of professional standards and certifications and monitor their performance and risk of suppliers and make changes to improve supply if necessary.
- # High standards of cleanliness on all sites
- # The Senior Management Team have collectively created a set of key business values to ensure we operate with the highest standards of integrity, ethics, and compliance

Environmental and climate change strategy

- # Complete a carbon footprint assessment and follow advice to reduce the total level
- # Environmental benchmarking against industry standards
- # Reduce greenhouse gas emissions through the introduction of HVO biodiesel
- # Conserve energy and resource usage through sustainable sourcing practices
- # Work towards becoming electrically self-sufficient by instilling 1.6 million kWh of solar generation
- # Purchase of premium renewable energy
- # Exploring alternative forms of renewable energy generation
- # Fleet mileage reduction
 - o Driver style grading software
 - o Vehicle tracking to reduce waste mileage
 - o Fully electric or hybrid company cars
 - o Trials for fully electric lorries and vans
 - o Higher capacity trailers to reduce trips
- # Continual infrastructure review
- # Cessation of higher energy consuming practices such as blast freezing
- # Reducing high energy frozen space where possible
- # Energy saving opportunity scheme participation
- # Converting all lights to be on sensors and LED to save energy
- # Replacing aging refrigeration with new and more efficient technologies
- # Tree planting to improve biodiversity across the owned estate
- # Compacting recyclable materials on site
- # Switching to recyclable packing in our own production
- # Food waste
 - o Reducing overall wasted food
 - o Donating suitable food to foodbanks
 - o Diverting unavoidable food waste to generate energy
- # We will monitor through KPIs:
 - o CO2 generated from fuel per unit sold
 - o CO2 generated from gas and electric per unit sold
 - o Utilisation of HVO vs conventional fuel
- # Source high quality products and ingredients locally where possible to local product to reduce food miles

Data Summary

As a business, we have determined that the following indicators reflect our key measurable values and commitments.

Key Performance Indicator	UoM	2021-22 Statistic	2022-23 Target
Business Ethics			
Number of bribery and/or corruption incidents recorded		0	0

Business Ethics - New Initiatives for 2022-23

High risk departments to complete bribery and corruption self-assessments
Carry out bribery and corruption training for high risk departments

	UoM	2020-21 Statistic	2021-22 Statistic	2022-23 Target
Carbon Footprint				
Total Carbon Footprint (Scope 1 & 2)	Tonnes	4,842	5,173	2,500
Total Scope 1 CO2 tonnes produced	Tonnes	3,379	4,248	2,000
Total Scope 2 CO2 tonnes produced	Tonnes	1,462	924	500
Electricity generated from solar	kWh		75,690	400,000
Number of cars in the fleet that are electric/hybrid			17	N/A
Energy consumption total: Electric	kWh		12,453,275	N/A
CO2 emitted per unit sold (Scope 1)	Kg		0.06	0.03
Energy consumption total: Fuel (Diesel and Petrol)	Litres		1,405,994	N/A
CO2 emitted per unit sold (Scope 2)	Kg		0.29	0.20
Water consumption total	M ³		15,427	12,000
Gas consumption total	kWh		488,914	N/A
Refrigerant consumption total	Kg		215.5	N/A

Carbon Footprint – New Initiatives for 2022-23

Plant trees as part of the woodland regeneration initiative
Use HVO fuel in HGV fleet to reduce Scope 1 CO2 emissions
Record the number of pages used in printing

	UoM	2021-22 Statistic	2022-23 Target
Community Relations			
Charitable donations	£	15,000	150,000
Cost of goods sold within 200 miles	%	62	65

Community Relations – New Initiatives for 2022-23

Record the proportion of staff living within 10 miles of their place of work

Customer Relations

Customer Relations – New Initiatives for 2022-23

Complete satisfaction survey for customers

Diversity and Inclusivity

% of female managers	%	26	33
% of female directors	%	14	14
Women's mean hourly rate is % lower than men's	%	10.2	0
Women's median hourly rate is % lower than men's	%	15.5	0
Proportion of women in the top pay quartile	%	32.4	40

Diversity and Inclusivity - New Initiatives for 2022-23

Appoint diversity lead

Create affinity group

Screen employees on more attributes to show a diverse workforce

Employee Health, Safety, and Wellbeing

Number of RIDDOR reports		7	<7
Number of accidents and near misses		49	<49
Number of trained First Aiders		41	50
Number of trained Mental Health First Aiders/Champions		13	20
Average score from Health and Safety Inspections at Sherborne	%	87.44	90
Average score from Health and Safety Inspections at Stalbridge	%	84.42	90
Average score from Health and Safety Inspections at Hazelbury Bryan	%	94.79	90
Average score from Health and Safety Inspections at Bridgwater	%	83.49	90
Average score from Health and Safety Inspections at Pylle	%	90.92	90
Average score from Health and Safety Inspections at Digby Road	%	81.81	90
Average score from Health and Safety Inspections at Fareham	%	N/A	90
Average score from Health and Safety Inspections at Redruth	%	90.71	90

Employee Health, Safety, and Wellbeing – New Initiatives for 2022-23

Ensure employees are completing health questionnaires annually

Ensure managers and employees receive Health and Safety training

Food Waste

Total food waste	Kg	266,718	
% food waste sent to anaerobic digester	%	95.2	

Food Waste – New Initiatives for 2022-23

Donate surplus food waste to food bank charities

Product Quality and Safety

Number of food culture questionnaires completed		153	200
Number of people who agreed food safety was important to HFG	%	86.3	90
Sherborne Storage and Distribution BRC Grade		A	AA
Stalbridge Storage and Distribution BRC Grade		AA	AA
Hazelbury Bryan Storage and Distribution BRC Grade		A	AA
Bridgwater Storage and Distribution BRC Grade		A	AA
Pylle Food Safety BRC Grade		A	AA
Average score from Hygiene and Fabric Inspections at Sherborne	%	92.49	90
Average score from Hygiene and Fabric Inspections at Stalbridge	%	94.85	90

Average score from Hygiene and Fabric Inspections at Hazelbury Bryan	%	96.26	90
Average score from Hygiene and Fabric Inspections at Bridgwater	%	93.65	90
Average score from Hygiene and Fabric Inspections at Pylle	%	80.74	90
Number of minor non-conformances awarded to the group during BRC external audits		38	25

Product Quality and Safety – New Initiatives for 2022-23

Gain B-Corp accreditation

Gain ISO 45001 accreditation

Bridgwater to gain certification in BRC Food Safety

Pylle Kitchen to gain certification in BRC Food Safety

Responsible Marketing and Brand Communication

Responsible Marketing and Brand Communication – New Initiatives for 2022-23

Record if there are any complaints that claims are not true, fair, or substantiated

Responsible Sourcing

Number of approved suppliers within Hunt's		237	N/A
% of approved suppliers with GFSI accreditation (Hunt's)	%	81	85%
Number of approved suppliers within Queenswood Natural Foods		313	N/A
% of approved suppliers with GFSI accreditation (Queenswood)	%	68	75
Number of approved suppliers within Thorner's of Somerset		56	N/A
% of approved suppliers with GFSI accreditation (Thorner's)	%	60	70
Number of traded product complaints		167	<167
Number of traded product supplier initiated recalls		7	<7
Number of manufactured product complaints		187	<187
Number of manufactured product HFG initiated recalls		1	0

Responsible Sourcing – New Initiatives 2022-23

Record the number of suppliers that are B-Corp accredited

Record how many suppliers are held responsible to the HFG Supplier Code of Conduct

Staff Attraction and Retention

Total number of staff		563	N/A
Number of leavers		305	<305
Staff being paid above the living wage	%	100	100
Rating on Indeed for Hunt's Food Group Ltd		3.8	5

Staff Attraction and Retention – New Initiatives 2022-23

Complete a staff satisfaction survey (employee net promoter score)

All staff to have a performance review and receive feedback

Track the number of employees that are internally promoted

Track staff sickness rate

Packaging Waste and Recycling

Dry mixed recycling generated	Kg	6,823	N/A
General waste generated	Kg	66,216	60,000

Paper and card waste generated	Kg	161,410	140,000
Food waste generated (Category 1 & 2)	Kg	12,798	<12,798
Total recycled (DMR, food, general, paper and card waste)	Kg	201,537	N/A
Total recovered (DMR, food, general, paper and card waste)	Kg	44,599	N/A
Total unrecoverable (DMR, food, general, paper and card waste)	Kg	1,109	<1,109

Packaging Waste and Recycling – New Initiatives 2022-23

Remove non-recyclable plastics from own brand products