



IPS SUSTAINABILITY PROGRESS REPORT 2026



A MESSAGE

FROM OUR CEO

IPS work with some of the best-known food brands to provide cost effective and innovative Co-Packing, Co-Filling and Co-Manufacturing solutions. With over 30 years' experience, a national network of co-packing facilities, committed teams and a flexible approach to business, IPS continues to lead the market.

As IPS continue to develop and grow, we recognise the need to be socially accountable – to itself, our stakeholders and the public.

Underpinned by IPS's longstanding Vision and Mission, we are committed to Corporate Social Responsibility (CSR) and Environmental, Social and Governance (ESG). Our aim to be conscious of the impact on all aspects of society, including economic, environmental and within the community.

Andrew Dawson IPS CEO

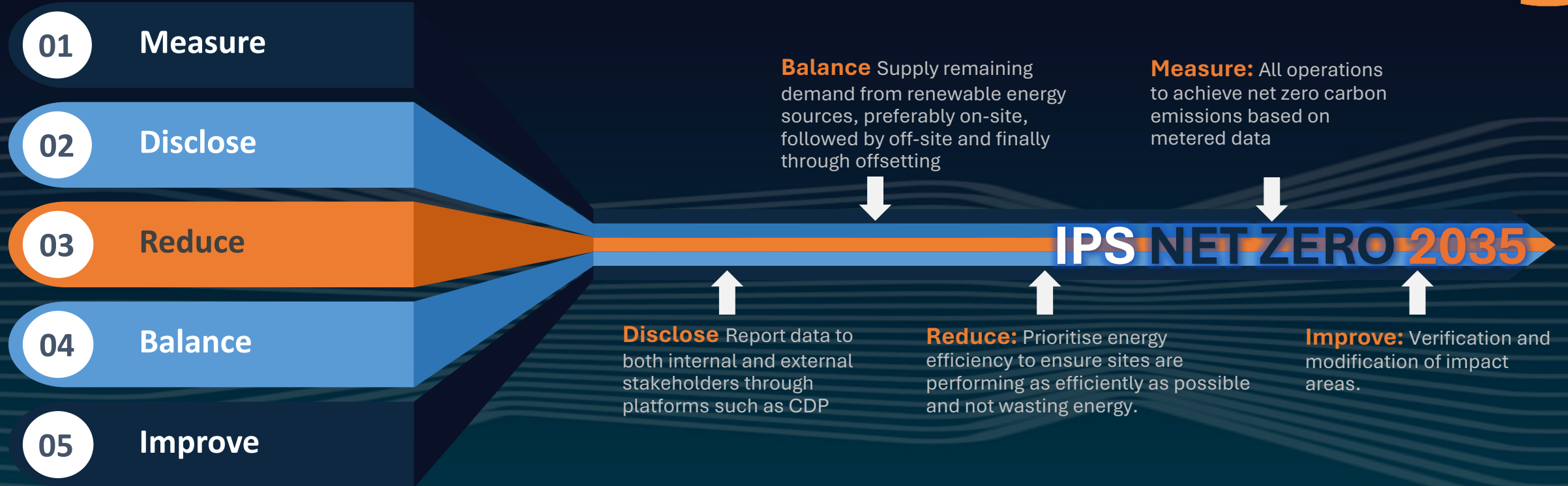


 ips
SUSTAINABLE
CO-PACKING



CARBON REDUCTION STRATEGY

The IPS strategy for reducing carbon emissions is built around five core principles: Measure, Disclose, Reduce, Balance, and Improve. It begins with accurately measuring carbon outputs across operations to establish a clear baseline, followed by disclosing this information transparently to stakeholders to drive accountability.



Using these insights, IPS works to reduce emissions through targeted efficiency measures, cleaner technologies, and smarter resource use. IPS commits to continually improving performance by reviewing progress, refining actions, and embedding sustainability into its day-to-day decision making.

Deliverable Sustainable Targets

- **50%** Scope 1 emissions reduction by **2030**
- **50%** Scope 2 emissions reduction by **2030**
- **10%** Scope 3 emissions reduction by **2030**
- **60%** EIR reduction by **2030**
- **100%** EVs or hybrid company fleet by **2030**
- **100%** Aspects and Impacts at all sites by **2026**
- **10%** Reduction in water usage by **2030**
- **Zero** To landfill certified by **2028**

OVERVIEW

Delivering Measurable Carbon Reduction at Scale

IPS has achieved a 20% reduction in Scope 1 emissions through targeted cuts in gas usage and behavioural improvements such as more efficient heating management.

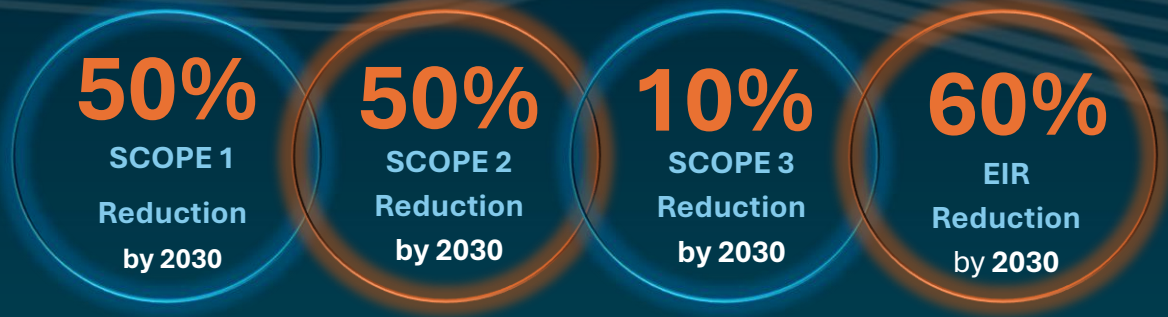
Alongside this, IPS delivered a 24% reduction in Scope 2 emissions in 2025 following the installation of photovoltaic solar panels at its key sites, supported by employee awareness campaigns that promoted energy-saving practices across the business.

These reductions demonstrate IPS is ahead of trajectory against its 2030 targets. Building sustainable co-packing and a strong foundation for future environmental initiatives.

BASELINE AND LATEST YEAR GHG EMISSIONS SUMMARY

Emission Scope	Baseline emissions 2019 tCO ₂ e	Latest emissions 2025 tCO ₂ e	Progress
Scope 1	78.47	62.89	-19.8%
Scope 2	1035.79	789.36	-23.8%
Scope 3	-	68.96	NA

ELECTRICITY INTENSITY RATIO	2019	2025	Progress
tCO ₂ e/Pallets produced	8.3	3.7	-55.4%



Targets are based on current operational scope and available metered data and will be reviewed in line with evolving standards and methodologies.

DETAIL

SCOPE 1, 2 & 3

These measures put IPS firmly on track to halve emissions by 2030, reinforcing our commitment to environmental leadership while delivering lasting operational efficiency.



SCOPE 1		IPS's Scope 1 emissions primarily arise from location-based emissions associated with gas used for space heating across directly managed operations. Recognising this as a key source of environmental impact, IPS has taken targeted action to reduce energy demand and improve operational efficiency.	• Reduce gas use through better heating control and less reliance on fossil fuels • Optimise heating (temperature, timing, and shutdown when not in use) • Promote behaviour change to encourage responsible, energy-efficient practices	20% tCO2e Reduction against 2019 Base Year
SCOPE 2		IPS cut Scope 2 emissions by 24% in 2025 through renewable energy investment and improved energy management, including solar PV installation reducing grid electricity use and embedding smarter daily energy practices.	• On-site solar PV reducing reliance on carbon-intensive grid electricity • Improved energy efficiency through monitoring and reduced waste • Employee campaigns promoting energy-saving behaviours • Ongoing engagement to reinforce responsibility and awareness	24% tCO2e Reduction against 2019 Base Year
SCOPE 3		Since 2022, Culina IPS has tracked Scope 3 water emissions to improve reporting accuracy, with plans in 2026 to expand coverage to haulier emissions and enhanced site waste data. Scope 3 reporting is being progressively expanded to improve coverage and accuracy.	• Scope 3 water emissions tracked systematically since 2022 • Improved accuracy, transparency, and reporting credibility • Stronger internal reporting for managing indirect impacts • Continuous improvement supporting expansion to haulier and waste data	31% tCO2e Reduction against 2022 Base Year

DETAIL

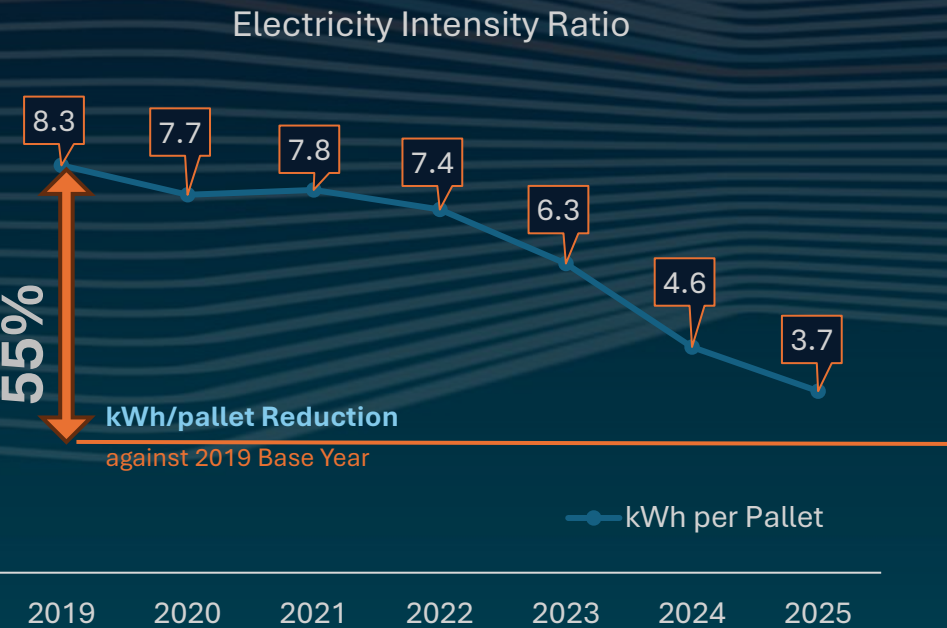
ELECTRICITY INTENSITY RATIO (EIR)

Strong business performance has placed IPS ahead of its EIR initiatives leading IPS to be ahead of its target projection, creating opportunities to further enhance and extend the associated benefits.



The IPS Electricity Intensity Ratio (EIR) formula:

$$\text{EIR} = \frac{\text{Total Scope 2 Electricity Consumption (kWh)}}{\text{Total Number of Pallets Completed (units)}}$$



Culina IPS has achieved a 55% reduction in its electricity intensity ratio (kWh per pallet created), reflecting significant improvements in energy efficiency across operations.

This reduction has been driven by a combination of on-site renewable energy generation, enhanced energy management practices, and increased operational awareness of electricity use.

For IPS, this means more output is being delivered with substantially less energy per unit, lowering both costs and environmental impact while strengthening overall operational performance.

Crucially, this progress places IPS ahead of its planned trajectory, positioning the business well to exceed its target of a 60% reduction by 2030



INITIATIVES

SUSTAINABLE DEVELOPMENT GOALS (SDG's)

Culina IPS have adopted the United Nations Sustainable Development Goals (SDGs) providing a global framework for addressing key sustainability challenges. For IPS, they offer a clear structure to align operations with priorities such as climate action, resource efficiency, and responsible growth, helping target efforts and demonstrate impact against recognised global goals.

SDGs Relevant to IPS in 2025

In 2025, IPS's policies, operations, and performance aligned strongly with the following SDGs:



Workplace safety, mental health

- Expanded mental health first aiders to 16
- Maintained ISO 45001 certification
- Introduced Nvolve access to connect with MHFAs



Diversity, Equality & Inclusion (DEI)

- 51.8% Women in upper middle pay quarter
- 27.1% Women in upper pay quarter (highest paid).
- 52% Workforce of mixed ethnicity



Energy-efficient operations

- 100% renewable electricity purchased
- LED retrofit in progress (completion 2026)
- Power factor monitoring underway



Fair wages, training, & apprenticeships

- 5 Employees completed apprenticeships.
- IPS Gender pay gap 3.3%. UK average reduced 6.9%
- 6000+ Training hours logged



Automation, digitalisation

- 'One Vision' system enables digital production checks and shift records
- 'One Vision' replaces paper logs with structured, auditable electronic records



Waste reduction, sustainable packaging

- Supply chain transportation frequencies and laden
- Simpler Recycling initiative introduced at all sites



Strategies, Policies, GHG Emissions

- Sustainability strategy introduced for GHG reduction
- Sustainability targets included into policies
- GHG Inventory written for greater transparency

 ips
SUSTAINABLE
WORKFORCE



EMPLOYEE RELATIONS

EMPLOYEE LIFECYCLE



204

PEOPLE JOINED
CULINA IPS IN 2025⁴



In 2025, **204 new starters joined Culina IPS**, marking a significant milestone in the company’s continued growth and success. This intake reflects Culina IPS’s commitment to strengthening its workforce, investing in talent, and supporting the expanding needs of its operations and customers. Together, these new starters play an important role in shaping the future of Culina IPS and supporting its ambition for sustainable growth.

181

PEOPLE LEFT
CULINA IPS IN 2025



Low attrition is primarily driven by a clear mission and purpose shared business wide, with all employees having a clear understanding of their role.

IPS experienced 181 departures and welcomed 204 new employees in 2025. Compared to UK published averages (34%), Culina IPS have a low attrition level (19%), however, this remains a key focus for IPS and Culina.

4 Years 7 Months

AVERAGE TENURE AT
CULINA IPS IN 2025⁴



At IPS, the average employee tenure is an impressive 1,686 days—equivalent to around 4 years and 7 months. Employees who reach this milestone typically possess a high level of skill and experience in their roles. Retaining our teams allows for a deeper understanding of our processes, systems, and culture, and many are ready to embrace new challenges or explore career progression opportunities.

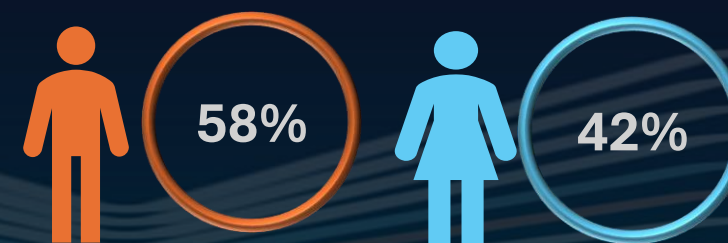
EMPLOYEE RELATIONS

EQUALITY, DIVERSITY & INCLUSION

Culina IPS is committed to creating a workplace where every colleague is treated fairly, respected, and supported to succeed. Equality, Diversity and Inclusion are embedded into the organisation's people strategy and underpin how Culina IPS attracts talent, develops colleagues, and builds high-performing teams.

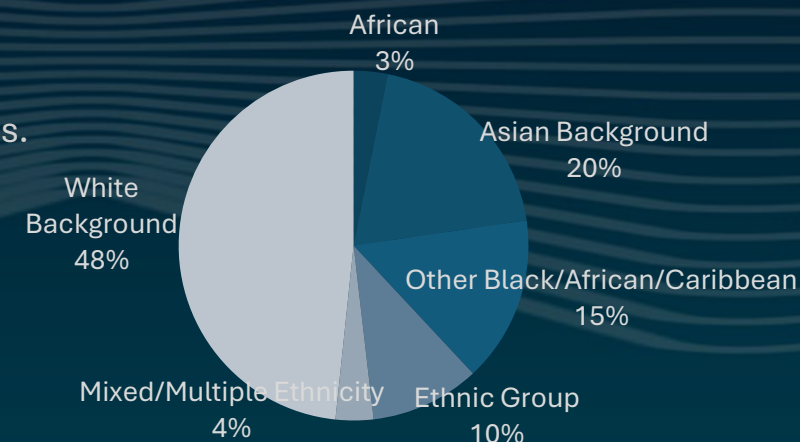
Equality

Equality at IPS is promoted through fair, consistent employment practices based on merit and capability, supported by a balanced workforce (58% male, 42% female) and an inclusive culture that builds resilient, representative teams for long-term success.



Diversity

Diversity is a core strength at Culina IPS, with a wide range of backgrounds and perspectives that support better decision-making, stronger collaboration, and improved service delivery. Workforce data is regularly reviewed to guide action and ensure the business reflects the communities it serves.



Inclusion

Inclusion brings equality and diversity to life at Culina IPS by creating a culture where colleagues feel safe, confident to share ideas, and supported to raise concerns. Leaders and managers foster inclusive behaviours through respect, open communication, and collaboration at all levels.

By embedding EDI into everyday practices and leadership accountability, Culina IPS continues to strengthen a positive workplace culture that supports colleague wellbeing, engagement, and long-term organisational success.

EMPLOYEE RELATIONS

EMPLOYEE DEVELOPMENT

It is our belief at Culina IPS that investment in training strengthens skills, safety, and continuous improvement, enabling colleagues to meet operational demands and contribute to a culture of excellence. It also supports career development, engagement, and the organisation’s commitment to sustainability and high standards.



Engineering Framework



From 2023 to 2025, training hours at Culina IPS more than doubled, underscoring a strong commitment to developing a skilled, resilient workforce capable of adapting to industry change and driving performance and innovation.

8

People completed apprenticeships

3

People completed Health & Safety Mentor Program

IPS have introduced a Career Development Framework for its Engineering team to align capability with individual and business goals. It provides clear insight into skills, competencies, and ambitions, enabling tailored development plans and career pathways that benefit both engineers and the organisation.

EMPLOYEE RELATIONS

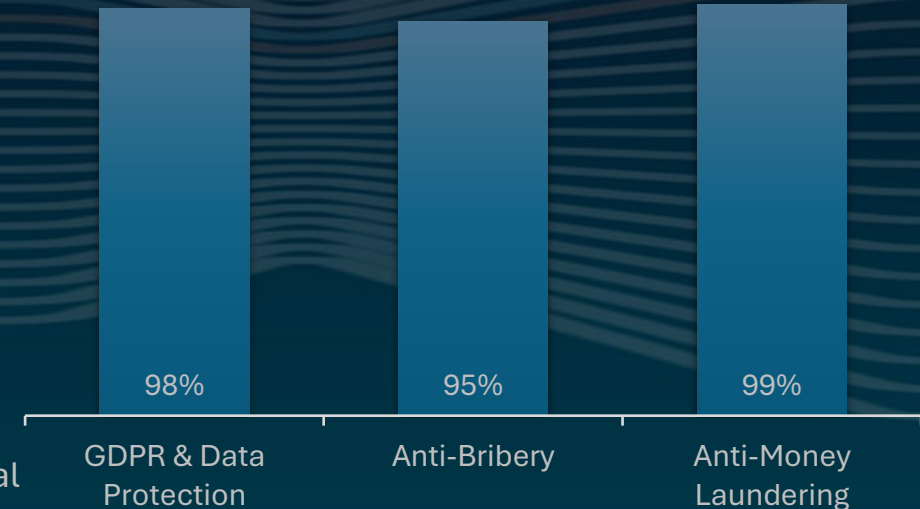
EMPLOYEE DEVELOPMENT - ETHICS



Culina IPS is committed to maintaining the highest standards of ethical behaviour across the business, recognising that strong governance and integrity are essential to responsible and sustainable operations. This commitment is reinforced through mandatory ethics training, ensuring colleagues clearly understand their responsibilities in areas such as data protection, financial crime prevention, and ethical decision-making. Training completion rates demonstrate very strong engagement, with 98% compliance for GDPR and Data Protection, 95% for Anti-Bribery, and 99% for Anti-Money Laundering training, reflecting a high level of awareness of regulatory and ethical expectations across the organisation.

These strong completion levels have been achieved through:

- **Clear managerial accountability**, with managers responsible for ensuring their teams complete mandatory ethics training
- **Mandatory training requirements** built into manager objectives and performance expectations
- **Regular monitoring and reporting** of training completion rates to leadership teams
- **Targeted follow-up and escalation**, where outstanding training is identified and addressed promptly
- **Accessible digital learning platforms**, enabling managers and teams to complete training efficiently
- **Consistent messaging from leadership**, reinforcing the importance of ethical behaviour and compliance



Culina IPS takes business ethics seriously because trust, integrity, and accountability are fundamental to long-term success. Strong ethical standards protect colleagues, customers, and the wider organisation, while reducing risk and ensuring compliance with legal and regulatory requirements

EMPLOYEE RELATIONS

EMPLOYEE WELLBEING

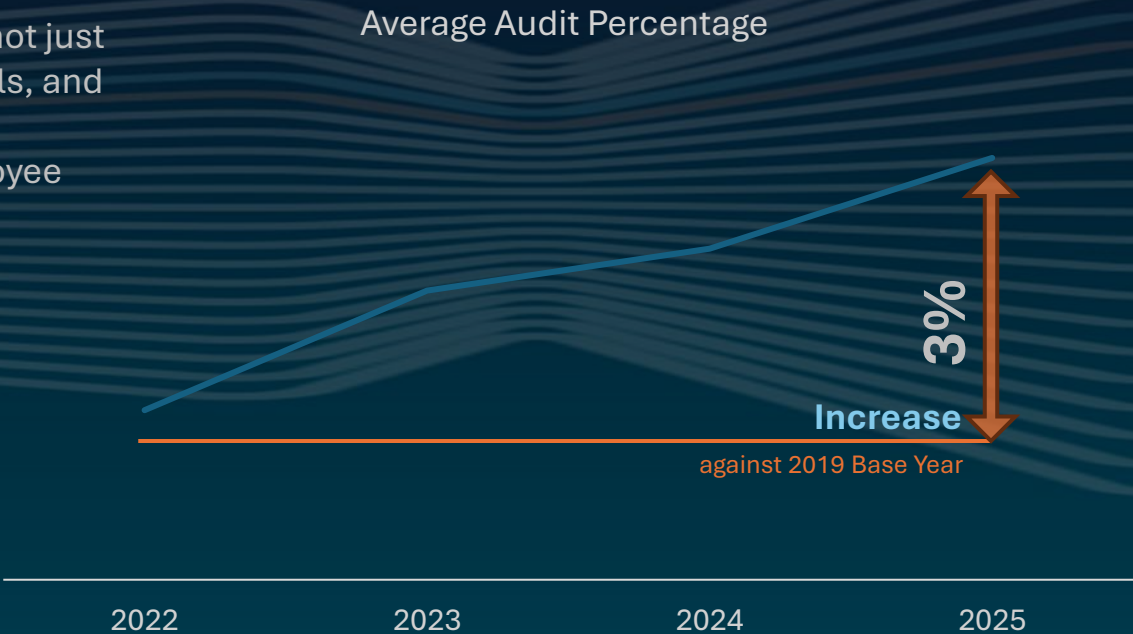


Safety in the Workplace

Culina IPS conducts regular internal health and safety audits to support proactive risk management and employee wellbeing. These audits assess compliance with legal requirements, internal policies, and best practice, helping maintain high standards. By reviewing workplace conditions, processes, equipment, and behaviours, IPS identifies hazards, control gaps, and improvement opportunities early.

Safety audits are treated as a tool for continuous improvement, not just compliance. Findings drive corrective actions, strengthen controls, and share learning, helping prevent incidents and promote open risk management. Strong leadership, clear accountability, and employee engagement ensure health and safety remain a daily priority.

Through structured, continuous improvements, IPS has implemented measures aligned to its health and safety strategy, supported by clear KPIs to track effectiveness. This approach has strengthened risk controls, improved practices, and reinforced accountability across the business, resulting in its strongest safety performance to date and a sustained focus on protecting its people.



EMPLOYEE RELATIONS

EMPLOYEE ENGAGEMENT

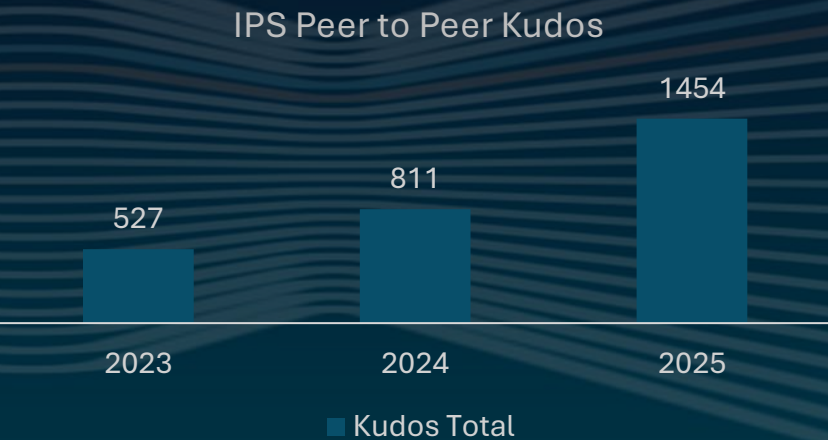


Recognition Programs

We recognise individual and team achievements through safety milestones and performance awards. Employees share Kudos via the LMS, displayed on site canteen screens, alongside “Employee of the Month” and “Employee of the Year” programmes, where recipients receive a certificate and personalised recognition letter. These kudos awards are linked to the Culina behaviours and values.

IPS has achieved this approach to recognition and engagement by:

- **Embedding recognition into everyday systems**, enabling employees to give and receive Kudos easily through the LMS
- **High visibility of achievements**, with Kudos displayed on site canteen screens to celebrate success and reinforce positive behaviours
- **Formal recognition programmes**, including Employee of the Month and Employee of the Year awards, supported by certificates and personalised letters
- **Strong alignment to Culina values and behaviours**, ensuring recognition consistently reinforces the standards and culture expected across the business



Culina IPS uses Personal Development Plans (PDPs) to support employee growth and career progression through tailored learning, mentorship, and ongoing feedback, helping colleagues develop skills, improve performance, and achieve long-term success.

EMPLOYEE RELATIONS

INCIDENTS



DON'T TURN A BLIND EYE TO WRONGDOING IN THE WORKPLACE.

If you are aware of any wrongdoing, please call us to report the matter on our confidential hotline **0800 056 2539**.

Alternatively you can report to us confidentially by providing information on our website at <https://fileaconcern.org/culina>.

We are an independent external service that allows you to report your concerns in an anonymous manner. We are available 24/7, 365 days a year.

AABPEOPLE.COM

AAB PEOPLE

Culina IPS operates a robust whistleblowing and grievance process that provides employees with a safe, confidential route to raise concerns without fear of reprisal. The process covers a wide range of issues, including legal compliance, health and safety risks, environmental matters, and misconduct, with all disclosures handled promptly, fairly, and sensitively in line with established procedures. This approach reflects Culina IPS’s ongoing commitment to integrity, transparency, and fostering a safe, ethical working environment where employees feel confident to speak up.

IPS Employee Satisfaction Rating



Reported ER Incidents 2025

0	0	0	0	0
Child / Forced Labour	Human Rights	Anti-Bribery	Fraud	Conflict of Interest

*Based on 2023 employee survey. Next survey scheduled for 2026.

