Stonegate

STONEGATE FARMERS



WELCOME

At Stonegate Farmers, we work closely with our producers to collect, grade and package millions of fresh, free-range and organic eggs every day.

As a leader in the UK egg industry, we recognise our responsibility to transform how we produce eggs to feed a growing population, and have taken great strides to achieve our ambitions as a sustainable and socially responsible organisation.

By embedding sustainability across every aspect of our operations, from farm to table, we are working diligently to cut emissions, ensure a safe, thriving workplace for our team and support local communities.

Our approach focuses on the entire supply chain: from our network of producers, through transportation and processing, to packing and distribution.

With ambitious targets, including achieving net-zero emissions across our entire supply chain by 2050, we are committed to playing our part in the climate solution, while ensuring British food security and maintaining the highest standards of animal welfare.

I am immensely proud of everything our team has achieved so far and pleased to share details of how we are delivering our commitments.

Adrian Gott, Chief Executive Officer, Stonegate Farmers

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CUSTODIANS OF THE LAND

At Stonegate Farmers, we have been at the heart of British farming for generations. Our journey began in 1926, when the farmers of Stonegate village formed one of the country's first egg cooperatives.

Since then, we have expanded to become the UK's second biggest egg supplier, while staying true to our core values: producing high-quality, sustainable eggs to feed families across the UK.

This report outlines the steps we are taking to protect our planet, invest in our people and maintain the highest levels of animal welfare. We outline where we are today, what we are doing to drive sustainable practices across every aspect of our business and our aspirations for the future.

We recognise that sustainability is not just about producing high-quality eggs – it's about how they are produced. With our roots in farming, we see ourselves as custodians of the land, prioritising responsible operations at every stage of the process.

As we continue to navigate market challenges and evolving consumer preferences, we remain committed to our vision of creating a sustainable future for egg production in the UK and beyond.

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STONEGATE FOOD GROUP LIMITED | 2025

OUR SUPPLY CHAIN

How each egg is transported from farm to table through our integrated system:

1. PRODUCERS AND HENS

We work with over 190 contracted producers overseeing a flock of over 4 million hens. They produce eggs in a sustainable and profitable manner while ensuring the health and welfare of the hens and preserving the surrounding environment.

Renewable Energy

2. EGG COLLECTION AND DISTRIBUTION

Every year we collect approximately 1 billion eggs sourced from our contracted producers across England, Scotland, Wales, and Northern Ireland.





3. PRODUCTION AND PACKAGING

We operate one processing and packing site, based in Lacock, Wiltshire. Our state-of-the-art facilities create hundreds of jobs locally, offering safe conditions and fair wages. We enhance the value of our producers' eggs through innovation, branding and marketing.





Protecting nature

Regenerative agriculture





Custodians of the land

Nutrients for society

4. CUSTOMERS

Our products are distributed nationally, catering to a diverse range of customers, including supermarket and foodservice. The key to our success is fostering strong collaborations and delivering exceptional service to consumers while minimising the environmental impact.

5. CONSUMERS

Through our efforts, we nourish millions of individuals, prioritising their health and well-being. Our approach focuses on innovative solutions, promoting positive food habits and ensuring affordable access to nutrition.



BUILDING A SUSTAINABLE FUTURE

Our vision at Stonegate Farmers is to create a better future where egg production is ethical, environmentally responsible and economically viable.

This vision drives our sustainability strategy, ensuring we deliver better outcomes for our team, customers and the environment.

To achieve our vision, we are focused on:

- Reducing our carbon footprint and improving resource efficiency.
- Supporting biodiversity and regenerative farming practices.

- Ensuring the highest animal welfare standards in egg production.
- Empowering local communities and supporting British farmers.
- Continuously improving our sustainability goals to drive positive change.

A sustainable business model

At Stonegate Farmers, sustainability is not just a goal – it is a responsibility we take seriously to ensure a thriving future for our farmers, our industry and our planet. Our sustainability initiatives are reviewed and approved by our Executive Committee, ensuring accountability and progress.

Despite market volatility, we commit to pay a competitive egg price to our producers, ensuring the economic sustainability of our supply chain. This commitment to fair pricing is a cornerstone of our business model, supporting British food security and egg supply.

STRONGER PEOPLE, STRONGER PLANET

Our strategy is built on two key pillars:

Stronger people

Eggs play a vital role in millions of people's diets, providing a natural and nutritious source of protein. As demand for high-quality eggs continues to grow, we are committed to producing eggs sustainably, ensuring they remain an essential and accessible part of healthy diets.

As a trusted supplier in the egg industry, we can shape the future of egg production and consumption. We aim to support healthier lives by offering nutritious, responsibly sourced eggs while promoting ethical farming practices.

Sustainability isn't just about protecting the planet – it's also about supporting the people throughout our supply chain. From our farmers to our consumers, we are dedicated to ensuring our business has a positive social and economic impact.

Stronger planet

We believe that caring for the environment is essential to sustainable egg production. Our approach prioritises animal welfare, responsible land use and reducing our environmental footprint.

By embracing sustainable farming practices, we are committed to reducing our carbon footprint, improving resource efficiency and protecting biodiversity. Our farmers work tirelessly to ensure that their land and flocks are managed responsibly, leaving a positive legacy for future generations.



OUR CLIMATE COMMITMENT

PROTECTING OUR PLANET

Climate strategy

We take the challenge of reducing our environmental impact seriously.

Working closely with our egg producers, we have set ambitious sustainability goals that align with global climate commitments. By striving to play our part in limiting global warming to 1.5°C, we are actively taking steps to lower the carbon footprint of egg production.

Progress and initiatives

A major milestone in our climate journey was the completion of our first farm carbon assessment in 2021. We continue to assess carbon emissions on a flock-by-flock basis and sharing that knowledge with our producer group.

Our climate strategy covers emissions across all key areas, including scope 1, 2 and 3, and is reviewed and approved by our Executive Committee, ensuring accountability and progress.

By prioritising climate action, we not only reduce our environmental impact but also strengthen our position as a leader in responsible and forwardthinking egg production.

NET ZERO GOAL

We aim to achieve net zero emissions across our entire supply chain by 2050.

SCIENCE-BASED TARGETS

We have established clear targets with key milestones for our journey to net zero.

EMISSIONS TRACKING

We are enhancing our tracking of all emissions, particularly scope 3 emissions, to align with the latest Forest, Land and Agriculture Guidelines from the Science Based Targets initiative.



RESPECTFUL PLANET

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BIODIVERSITY PROTECTION

Healthy ecosystems are essential for food production, our economy and the well-being of our planet.

We recognise our responsibility to protect and enhance biodiversity within our operations and supply chain.

Our biodiversity commitments

- Working towards zero deforestation in our supply chain by 2026.
- Developing biodiversity action plans across our farms and operations.
- Creating natural habitats through tree planting and wildflower meadows.
- Supporting pollinators and improving local ecosystems.
- Regular biodiversity audits to monitor and enhance our impact.

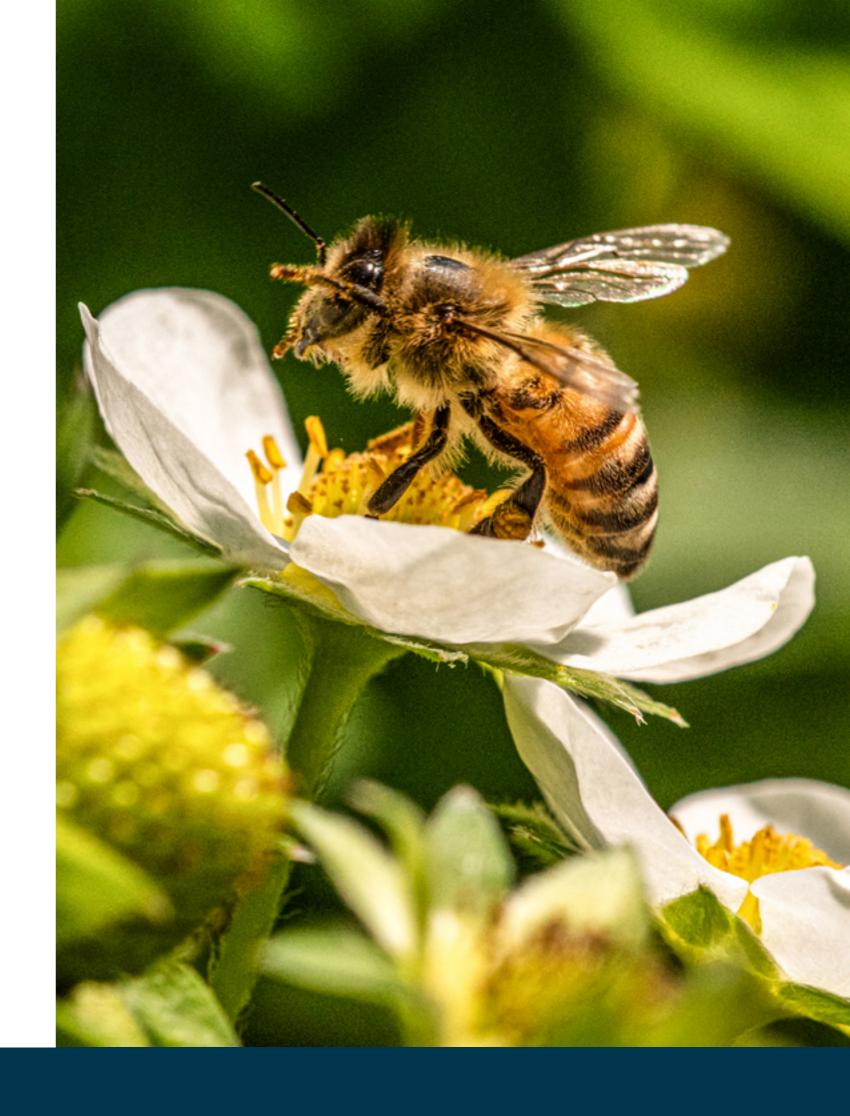
Progress and achievements

- 100,000 trees planted across our free-range and organic farms, helping to create diverse ecosystems and combat climate change.
- Wildflower meadows established on our farms and processing sites to support pollinators.
- Active collaboration with environmental initiatives to educate and engage local communities.

Preventing deforestation

Sustainable sourcing is a key pillar of our biodiversity strategy. We are committed to eliminating deforestation from our supply chain, particularly in sourcing key agricultural inputs like soy for feed. We actively support:

- The UK Soy Manifesto.
- The Round Table on Responsible Soy (RTRS).
- Other initiatives driving sustainable feed sourcing.





Ensuring sustainable responsibility underpins each and every step we take

RESOURCE EFFICIENCY

We actively seek ways to minimise emissions and waste throughout our operations, from sustainable feed sourcing to eco-friendly packaging solutions.

Circularity, renewable energy, and waste reduction are key elements of our commitment to environmental responsibility.

Our packing centre recycles or reuses all our waste streams, and we have recently installed solar panels onsite, counterpoising our carbon footprint. We strongly urge our farmers to harness solar and wind power in combination to satisfy all annual power requirements.

We are also proud to be the first egg supplier to sign up to the Courtauld Commitment 2025. This voluntary agreement helps to identify areas of the food supply chain where resource efficiency is an issue and shares best practice to help increase productivity and eliminate waste.

INVESTING IN PEOPLE

At Stonegate, we know we're only as good as the people who work here, so we continually invest in our workforce.

As a result, Stonegate has an established team of long service employees. Although we have evolved over the past 99 years, the spirit of Stonegate remains the same, and members of the Stonegate team are at the heart of everything we do.







Respect

- Respect all living things and, most importantly, each other.
- Encourage communication, listening to the perspectives of all.
- Take pride in our work.
- Reflect our customers' high standards in all that we do.



Aspire

- Empower our people
- Build successful partnerships that last
- Honour our heritage by leading sustainable farming, providing the highest animal welfare and reducing our environmental impact
- · Have the passion to be the bes



Courage

- Be brave and bold innovators
- Moral excellence; do it because it's the right thing to do.
- Create with worth and importance front of mind
- Original and authentic thinking always



One team

- Collaboration culture; working together to drive growth.
- Accountability will result in succes
- Respect healthy challenge but work as one team with a shared goal.
- Collectively we are greater; it's integral to our success.



Diversity

- Embrace diversity to learn and advance.
- Use our talents and strengths to diversify and grow.
- Inclusive working environment embracing individuality.
- Constant product and range evolution.



WORKPLACE INITIATIVES

People development

We constantly invest in the training needs and goals of our teams, building talent and providing an engaging working environment where everyone can thrive. We help employees to reach their full potential through the following training programmes:

- Management course:
 We had 41 completions by the end of February,
 with two further cohorts planned for 2025.
- Supervisory course:
 We had 28 completions, with another 30 booked and at least one further course planned.
- Apprenticeships:
 We currently have seven active apprenticeships, with three completed in the last 6-12 months.
- Professional qualifications:
 These include IOSH, project management,
 Six Sigma and CIPD.
- Leadership development: We offer coaching support for potential leaders.

Workplace environment

Through our Colleague Forum, we have implemented numerous improvements based on employee feedback. These include:

- Enhanced canteen facilities with more fridges, better storage, improved water facilities.
- Subsidised food and free fruit.
- Increased communications through weekly briefs and information screens.
- Support for social events including Christmas celebrations and seaside trips.
- Proactive approach to health and safety issues.

Being a great place to work is a key objective at Stonegate

Diversity, Equity and Inclusion

Our initiatives to create a diverse, equitable and inclusive workplace include:

- Supporting people with neurodiverse conditions to make their workplace more accessible.
- Ensuring a diverse workforce at management and shop floor levels.
- Raising awareness of national awareness days including Pride, mental health, menopause, and international women's and men's days.
- Offering Mental Health First Aid training across the company.
- Providing wellbeing support.

Recognition and awards

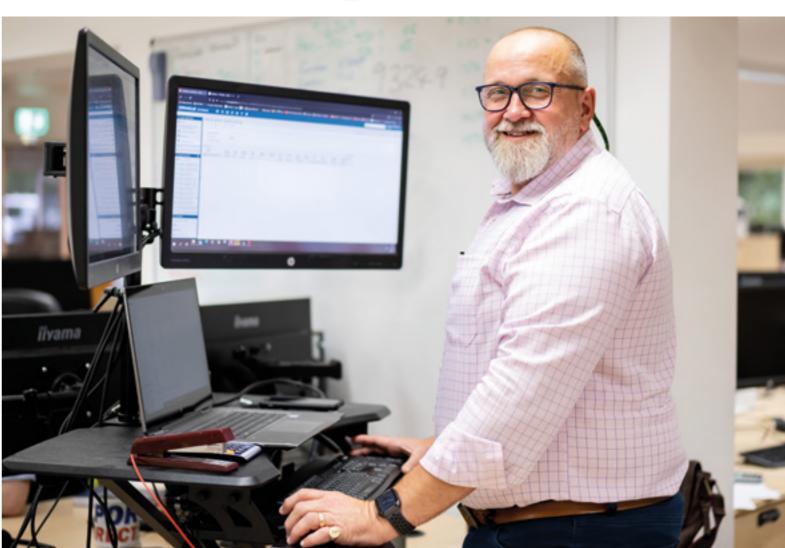
We are incredibly proud that our industry-leading work has been recognised with the following awards:

- Silver Award from Grocery Aid for 2024.
- Featured as one of Financial Times UK's Best Employers for 2025.
- To recognise the efforts and achievements of our employees, we also run our own internal Superstars and Lightyears awards for long service and good performance.









COMMUNITY **ENGAGEMENT**

Stonegate Community Fund for Youth Sport (SCFYS)

Stonegate Farmers and Stonegate Agriculture believe that sport should be open to all young people in their local communities regardless of background or financial situation. To assist in making this belief a reality, SCFYS awards sponsorship to 10 local teams for a team kit up to the value of £800 every year.

The fund provides:

- Sponsorship for youth teams based within a 10-mile radius of Stonegate HQ in Lacock or Dorrington Farm in Lincolnshire.
- Support for teams under 18 years of age.
- Kit sponsorship lasting for two seasons.
- · Additional discretionary hardship grants of up to £100 per player for those facing financial difficulties.
- Supporting women and girls in football with grass roots sponsorship aligned to the "Made for this Game" England FA Campaign.



Charitable support

We actively support various charities and initiatives, including:











To support community health and safety beyond our business operations, we have also provided access to one of our defibrillators for community use.



OUR SUPPLIERS AND PRODUCERS

We have approximately 260 suppliers to the business, consisting of producers and feed suppliers, as well as food ingredient, service and packaging suppliers.

At the heart of our business are our farmers, and we work with 183 contracted producers across England, Scotland, Wales and Northern Ireland. Collectively, they oversee a flock of over 4 million hens, producing around 1 billion eggs every year.

We believe in developing long-term partnerships and offer holistic expertise to any business wanting to succeed in producing, selling or using eggs. While our network of farms spans the length and breadth of the UK, we work closely with the farmers to collect, grade and package our eggs for the ultimate satisfaction of our customers.



Every day we work with more than

190 producers*



Together we oversee a flock of more than

4 million hens*



Every year our hens produce

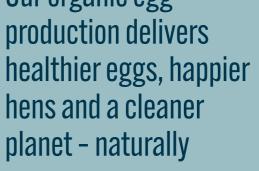
1 billion eggs*

ORGANIC FARMING

Organic farming is part of our complete farming ethos, which works in harmony with the environment

This ethos is an integral part of our agriculture and egg production as operators of the most sophisticated free-range and organic farms. We understand every level of the process, from breeding programmes to the marketing of our eggs to consumers. Our involvement in every aspect of the supply chain gives us the control to carefully maintain our standards and manage quality and costs throughout.

Our organic egg production delivers healthier eggs, happier hens and a cleaner





ANIMAL WELFARE

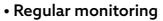
Animal care is at the heart of everything we do, and we continuously invest in best practices to promote the health, wellbeing and natural behaviours of our hens.

Our customers can enjoy peace of mind in the knowledge that our farming partners apply best practice in hen wellbeing at every stage of our hens' lives.

Our welfare standards

- 100% cage-free
- Stonegate Farmers has never used caged production systems. All our eggs come from free-range, organic, or specialty farming systems that prioritise hen welfare.
- Natural enrichment

All our hens have access to natural enrichment, including perches, nesting areas, and dust-bathing zones.



Annual inspections ensure compliance with the highest standards of hygiene, nutrition, and welfare.

Expert support

In-house specialists work closely with farmers to optimise bird health and performance.

Reduced transport times

Transport times are kept to a minimum, with farms located within proximity to our packing facilities.

Industry-leading certifications

We are proud members of the **British Lion Quality** and **RSPCA Assured** schemes, ensuring our eggs meet rigorous animal welfare and food safety standards. By working with trusted partners and continuously improving our practices, we remain at the forefront of sustainable egg production.

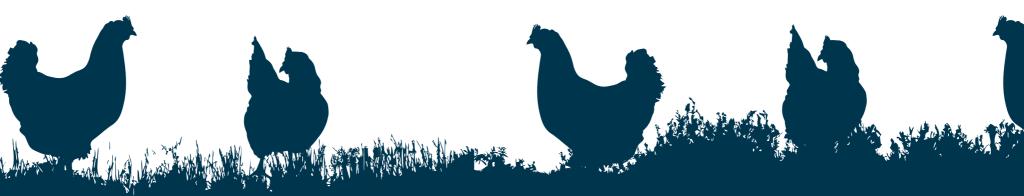
Digital monitoring for better welfare

Stonegate Farmers is embracing innovation to enhance hen welfare. We utilise:

- Data-driven insights to track flock behaviour, ensuring early intervention if needed.
- 3D cameras and sensors to assess movement, feather condition and wellbeing.
- \bullet Scientific research partnerships to continuously evolve our approach to welfare.







THE FIVE FREEDOMS

We adhere to the Five Freedoms, prioritising the health, wellbeing, and ethical treatment of our birds:

1

Freedom from hunger and thirst.

Access to fresh water and a nutritious, well-balanced diet.

2

Freedom from discomfort.

Comfortable housing with suitable shelter and resting areas.

3

Freedom from pain, injury, or disease.

High veterinary care and proactive health monitoring.

4

Freedom to express normal behaviour.

Spacious environments, perches and access to natural light.

5

Freedom from fear and distress.

Handling with care to minimise stress and ensure wellbeing.

LOOKING AHEAD

For Stonegate Farmers, sustainability is about shaping a better tomorrow.

We are actively working towards the ambitious goals we've set while continuously refining them to make a lasting impact. By embracing innovation and responsible farming, we are leading the way in sustainable egg production.

Our vision extends beyond meeting current expectations – we aim to set new standards for the industry, demonstrating that commercial success and environmental responsibility can go hand in hand. Through continued investment in sustainable practices, technology, and our people, we are building a resilient business that creates value for all stakeholders while protecting the planet for future generations.

As consumer preferences continue to evolve and sustainability becomes an increasingly important factor in food choices, we are well-positioned to meet these changing demands. By staying true to our core values and continually pushing the boundaries of what's possible in sustainable egg production, we will continue to revolutionise our industry and create a positive impact that extends far beyond our business.



For the planet

Net zero target by 2050

Zero deforestation in our supply

Regular biodiversity audits to monitor and enhance our impact

Biodiversity action plans acros our farms and operations

Creating natural habitats through tree planting and wildflower meadows

Supporting pollinators and improving local ecosystems

Increasing our solar energy by a further 30% by 2026

Introducing biodiesel into the transportation division

Adding wind energy generation and road harvesting energy initiatives by 2027





For our people

We are aiming to reduce workplace accidents by 30%

We are committing to 1,000 hrs of development across all levels of the business

We will reduce the living wage gap across all levels of the business

We will deliver a holistic graduate programme during 2025

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For our hens

We will maintain a robust internal audit framework monitoring mortality rates, feather cover scores, incidence of injury or disease and enrichment provision

We will drive continuous improvement in animal health and welfare, ensuring alignment with both Stonegate standards and customer expectations

We will continue to lead in the free range and organic landscape, working with producer partners to ensure commitment to sustainable practices



Stonegate