

Corporate and social responsibility

‘We are proud of our health and safety record which is good and continues to improve.’

Food quality

Critical to our success is the excellence and quality of the food we produce. The group is committed to maintaining the highest standards for our customers, with both quality and safety of our products being the centre of our focus. It is a continual process and each year a formal audit is carried out at every production site to ensure standards are maintained. Our standards are monitored closely by our customers to ensure that the consumer gets what they want and that any problem is quickly identified and dealt with. All our business units are set challenging targets that are more stringent than government regulations as we strive to achieve the highest standards.

Health and safety

The health and safety of everyone at Uniq sites is a top priority. We are proud of our health and safety record which is good and continues to improve. Our notifiable incidents rates are generally significantly better than industry standards, particularly so in the UK where we are 38% better than our industry average. In 2006 we experienced no fatalities, received no enforcement notices and were not prosecuted on any matters relating to health and safety. Incidence rates for lost time incidents and notifiable accidents improved by 35% and 40% respectively; lost time incidents fell to 163 for the 9 month period from 260 in the previous 12 months.

For the second year in succession, three of our UK manufacturing sites, UPF Northampton, Riviera Desserts at Paignton and Smedleys Salads at Spalding, have received RoSPA Gold Awards in recognition of their continuing excellence in health and safety performance.

The UK Health and Safety Executive have established a food industry ill health standard incidence rate which is 4,800 per 100,000 employees – Uniq has a rate of only 282. Underlying our success is the proactive utilisation of our in-house occupational health team, integrating occupational health and rehabilitation and monitoring and managing employee absence within our line management processes. Every year all UK business units are audited and performance monitored against KPIs. Absence rates fell from 3.3% last year to 3.1%.

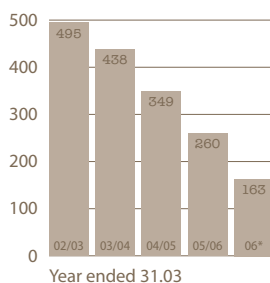
We are playing an influential role in the Food Manufacturing sector’s leadership to develop industry’s first code of best practice dealing with the management of the health and safety of workers from multicultural backgrounds.

Ethical standards and the environment

We consider ethical and environmental standards to be increasingly important in determining how we conduct our business. We have written codes covering trading and business ethics so that we can maintain high standards trading with our suppliers and business partners and employees can support our goals and help us achieve these standards.

Group safety

Lost time incidents



*9 months ended 31.12.06

We now use an independent body to carry out appropriate new supplier audits before we commence trading with them. We encourage our suppliers to register with SEDEX (Supplier Ethical Data Exchange), a web based system for companies to maintain data on labour standards within the supply chain; it enhances our ability to maintain the highest standards for our labour force. We support the principles of the UK Ethical Trading initiative, which focuses action towards good working conditions throughout the supply chain.

Uniq continues to embrace new environmental initiatives to improve our performance and achieve environmental improvements. During the period we were not subject to any prosecution or enforcement notices in relation to environmental matters.

In 2006 we reviewed and enhanced our environmental strategy and training. We believe it is our responsibility to seek to protect the environment from aspects of our business which impact upon it and to align ourselves with the aspirations of our customers and consumers in general. This strategy encompasses the introduction of environmental KPIs and an environmental management system; improving our employees' knowledge of these issues; exploring the reuse and recycling of waste; managing and auditing our energy efficiency to establish our carbon footprint; and the use of waste minimisation audits and action plans to improve performance.

In April, St Ivel at Minsterley and Evercreech *Truly* Uniq, co-operating with the customer and packaging supplier, launched new recyclable, biodegradable dessert pots made from PLA, a polymer derived from corn starch; the change also delivered a weight saving of 28%, helping our customer achieve their own packaging reduction targets. Other initiatives include: at St Ivel, Minsterley, an improved effluent treatment process and a 'war on waste' resulting in a 40% reduction in waste; Riviera Desserts at Paignton sponsored a local cycle scheme to reduce car usage; and Pinneys of Scotland commenced a water minimisation programme which, by changing the manufacturing process and substituting blade cutters in place of water operated cutting machines, reduced water usage by over 20%.

Our people

One of our key business priorities remains to grow and develop staff within Uniq and to attract and retain talented people. We have continued to strengthen our management teams and critical areas of skill and capability which can differentiate us from our competitors. In particular, we look to attract people who can contribute to the increasing levels of responsibility that has accompanied our drive to decentralisation. The pace of the changes we have embarked upon offer enormous opportunities for personal and professional growth, and we have been successful at attracting talented and ambitious people who share the company's vision for continuing success in a demanding sector.

To be successful at maximising employees' potential, we deploy a range of processes to support personal and organisation growth and effectiveness. These include performance and talent management programmes, training and personal and team coaching. We communicate with our employees through team and management briefings, and by using our intranet and newsletters. Job vacancies are advertised internally as well as externally.

We have created partnerships with external assessment agencies to run training in-house covering health and safety and food hygiene. Pinneys have developed with Seafish and the West of Scotland Seafood Training Agency, the first scheme to train employees on food hygiene in the seafood industry, a course validated by the Royal Environmental Health Institute of Scotland. Three health and safety courses were run working with the Institute of Occupational Safety and Health in partnership with the HSE. UPF Northampton launched a multilingual newsletter and runs English courses to improve communication with the large number of its staff whose first language is not English. 38% of UPF Northampton staff undertook an environmental training programme, with presentations from Envirowise, the local authority and industry, and the remainder will complete the course in 2007.

Pensions

The group is the principal employer in relation to a number of pension schemes, in particular the UK defined benefit scheme is a material responsibility for the company. This scheme is closed to new employees but has over 21,000 members. As explained in the chairman's statement and the financial review, the defined benefit scheme has recently been significantly strengthened by securing assets for the benefit of the scheme. The company continues to support this scheme to ensure that the trustee is able to meet all its continuing obligations to the members. There is a defined contribution pension scheme for other UK employees.

Community engagement

We encourage employees to contribute directly to community initiatives: allowing them time away from work to serve as magistrates, school governors, local councillors, trade union officials or representatives of professional bodies. Local schools are encouraged to visit sites; children from Minsterley's C of E Primary School had a lesson in yogurt making, understanding how 'good' bacteria and micro-organisms are used.

We contribute limited financial support and practical assistance to a number of local initiatives. Uniq employees serve on charitable committees or have worked together to organise fund raising events. These included sponsored marathons, a pop concert and other activities, with a particular focus on raising money for cancer relief. Details of charitable donations are included in the directors' report.

Just desserts

Individual light lemon souffles made with cream and lemon juice, hand finished with caramelised orange shreds. Served in a ceramic ramekin.

