Inghams Enterprises Pty Limited: Embracing sustainable change



Sustainability Advantage Case Study

Inghams Enterprises Pty Limited

Founded in 1918, Inghams Enterprises Pty Limited (Inghams) is now the largest producer of poultry products in Australia. Operating in each state and in New Zealand, the family-owned company employs 8,000 people across almost 100 sites. Operations include poultry breeding, hatching and farming, feed manufacturing and poultry processing. Inghams has had an environmental policy since the 1980s and is committed to continual improvement.

Industry

Poultry products



Poultry processing plant. Through Sustainability Advantage, Inghams brought together managers across each area of the business to develop a strategic sustainability plan



Sustainability drivers

Inghams recognises that sustainability is linked to its long-term viability and is core to its philosophy of 'doing the right things and doing things right'. The company was keen to better understand its environmental footprint to inform decision making and to manage risk. Inghams also appreciates that embracing sustainability can lead to significant cost savings and help the company respond to increasing community, customer and regulatory expectations.

Achievements and savings

Waste	 Savings of more than \$150,000 per annum 50 per cent reduction at some sites
Water	 26 per cent reduction at some sites 70 per cent reduction at one of the larger sites using advanced water treatment technology
Strategic Planning	 Sustainability is now part of the company mission statement Sustainability strategy in place with company-wide reporting Improved staff engagement

Steps

Inghams joined the Sustainability Advantage Program in 2006. With the commitment of the CEO, the company started to shift its focus beyond compliance and build support for sustainability by engaging senior managers in sustainability planning, practices and reporting.

Sustainability strategic planning

Assisted by expert consultants provided by Sustainability Advantage, Inghams conducted a workshop with a group of senior managers from each area of the business. The aim was to identify the critical sustainability issues for the company and develop a strategic sustainability plan. This was the first time Inghams had brought together people from across the company to talk about sustainability. The plan identifies six sustainability goals and is supported by reporting against the key performance indicators (KPIs) developed as part of this process.





Measuring, reporting and reviewing

Inghams has developed a scorecard template for consistent KPI reporting on sustainable practices. While it took time to get it right, all sites are now providing reports on issues such as the number of litres of water and energy used per unit of production.

Targets, based on the company's six sustainability goals, include a ten per cent reduction in energy, water and landfill and an increase in recycling of ten per cent. One site has already achieved a 50 per cent reduction in waste to landfill and \$150,000 in savings and another site has reduced water use by 26 per cent. Inghams has invested in technology to enable a 70 per cent reduction in water use at another large site.

Site managers are reporting weekly on results and a monthly report for the executive team is being developed.

Positive feedback from site managers highlights the cost benefits of adopting a sustainability approach. One manager states, 'I thought we were already very lean and cost-effective, but by looking at things differently we have found significant savings to be made, especially in electricity; for example, the number of motors running'.

Business-as-usual sustainability

Inghams is working to integrate sustainability into its normal business practices. The company recently conducted a sustainability survey of 700 of its staff to generate ideas and communicate positive results on sustainable practices. Such initiatives are designed to help Inghams' workers better integrate sustainability actions into their everyday work practices now, and in the future.

Outcomes

From its involvement with Sustainability Advantage, Inghams has an increased understanding of the environmental impacts of its processes and the associated costs and risks.

The Program has helped Inghams identify opportunities to improve its practices, resulting in direct and indirect cost savings, and an improved engagement with staff on environmental issues. Another benefit is that Inghams has a greater readiness to meet future regulation and reporting requirements.

'Taking part in Sustainability Advantage has completely changed the direction of environmental management at Inghams. In two years we have gone from people never using the word sustainability to it being used and understood. We have moved past a focus on compliance to a sustainability strategy. This has led us to look at our carbon footprint.'

Julia Seddon, Group Environment Manager, Inghams

Next steps

Inghams plans to continue and strengthen its sustainability initiatives in the future. The priorities for the next few years include:

- working on a sustainability communication strategy for staff
- · continuing work on achieving its sustainability goals
- producing a sustainability report for 2009
- focusing on more efficient use of resources, particularly energy, and reducing waste
- continuing to develop its carbon reduction strategy
- undertaking Sustainability Advantage Energy Saver Audits at key sites in 2010.

More information

Julia Seddon

Group Environment Manager Inghams Enterprises Pty Limited

Call: 02 9826 4410

Email: jseddon@inghams.com.au

Department of Environment, Climate Change and Water NSW (DECCW)

Call: 02 8837 6000

Email: <u>sustainbus@environment.nsw.gov.au</u>

Visit: www.environment.nsw.gov.au

Register

Contact DECCW's Business Partnerships

to register for Sustainability Advantage.

Call: 02 8837 6000

Email: <u>sustainbus@environment.nsw.gov.au</u>

Visit: <u>www.environment.nsw.gov.au</u>

Achieve a Sustainability Advantage. Sustainability Advantage is a business support service from the Department of Environment, Climate Change and Water NSW (DECCW). It is designed to help your organisation understand sustainability, successfully manage for a better environment and add business value.