Shanks

Making more from waste

Press Release

24 October 2012

M&S signs AD energy deal with Shanks

Leading international waste management business, Shanks Group plc ("Shanks" or "the Company"), has signed a Power Purchase Agreement with Marks & Spencer ("M&S") to supply the retailer with the total renewable energy output of its anaerobic digestion ('AD') plant in Cumbernauld, Glasgow – a joint-venture with Energen Biogas.

M&S sends food waste to the 60ktpa AD plant, where it is converted into biogas for renewable energy generation and digestate for use as a nutrient-rich soil conditioner. The new agreement will see M&S directly purchase approximately 19,000 MWh per year of electricity from the AD plant* – the equivalent energy used to power 33 M&S Simply Food stores – and helping to close the loop for its food waste.

Giacinto Patellaro, Head of Energy Supply & Risk at M&S, comments: "We're delighted to sign this Power Purchase Agreement with Shanks and Energen Biogas. Having advocated the use of AD technology since the launch of our sustainability programme, Plan A, back in 2007, we're now seeing in practice how the plant at Cumbernauld is helping M&S to maintain two of our targets: to procure 100% renewable electricity and send zero waste to landfill. As leaders in the field of AD and organic waste management, we look forward to continuing our relationship with Shanks and Energen Biogas."

Ian Goodfellow, UK Managing Director at Shanks, comments: "M&S is a pioneer in responsible business practices and we are delighted to enter into this agreement with them. They have a firm commitment to sustainable waste management and utilising green energy and this agreement will take full advantage of our state-of-the-art AD plant in Cumbernauld. Not only does this reinforce our strategy to make more from waste, it also reflects Shanks' strong and growing presence in organics recycling and recovery."

Shanks is currently strengthening its market position in organics, where it has over one million tonnes of treatment capacity across Europe. In addition to opening the Cumbernauld AD plant in October 2011, the company is building a 48ktpa AD plant in Bicester, Oxfordshire and has

submitted a planning application to Torfaen County Borough Council to build a 90ktpa AD plant at its South Wales site in Pontypool.

Other brands benefitting from Shanks' sustainable waste management solutions include Unilever and Albert Heijn, the market leading supermarket in the Netherlands, whose organic waste is treated at Shanks' Greenmills AD plant, near Amsterdam, the largest of its type in Europe.

-ENDS-

* 10% of the energy output is used on site (parasitic load) at the Cumbernauld AD plant.

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Shanks Group plc is a leading international sustainable waste management business with operations in the Netherlands, Belgium, United Kingdom and Canada.

The Group provides a range of recycling and energy recovery solutions to customers in both the public and private sector. The Group employs over 4,000 employees and last year it handled 7.8 million tonnes of waste achieving an overall recycling and recovery rate of 78%.

The Group has a significant organic waste treatment capacity of over 1 million tonnes.

Shanks is a FTSE 250 company listed on the London Stock Exchange. In May 2012 it reported annual revenues of £750 million and trading profits of £53.4 million. The company was established in 1880 and is based in Milton Keynes, Buckinghamshire.

For more information visit www.shanksplc.com

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Glossary

Anaerobic Digestion *(AD) is a natural process which converts organic matter such as food waste into energy. The main products resulting from AD are: biogas, which is very similar to natural gas and can be used to generate electricity, gas or heat, or compressed for use as a biofuel; and digestate, a fertilizer which is rich in nitrates and phosphates.*

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