

CADBURY PARTNERS WITH DAIRY FARMERS TO REDUCE CARBON FOOTPRINT

Cadbury today unveiled its Cadbury Dairy Strategy, a unique partnership with dairy farmers in Selkley Vale designed to help reduce the environmental impact of dairy farming.

In partnership with the Carbon Trust Cadbury has, for the first time, calculated the carbon footprint for milk chocolate and discovered that milk contributes to just over 60% of emissions. As a result, the partnership – which is part of Cadbury's broader 'Purple Goes Green' environmental initiative – will undertake a pilot programme working with dairy farmers in Selkley Vale in Wiltshire and Gloucestershire, providing practical advice to help farmers reduce emissions.

It includes a Cadbury Guide to Low Carbon Dairy Farming – a best practice guide to reduce the carbon impact of dairy farming. The guide, which has recently been distributed to the dairy farmers, gives an overview of the factors that contribute to carbon emissions from milk production and provides practical measures that farmers can implement to reduce them. Cadbury has shared the learnings with external stakeholders, such as BITC, and key customers including Asda. Over the next year, the aim is to involve a number of flagship farms in the Selkley Vale Group to pilot the measures outlined in the guide.

The greenhouse gases targeted by the guide are carbon dioxide, methane and nitrous oxide, which contribute 23%, 25% and 52% of emissions from the average dairy farm, respectively. The average dairy cow emits between 80-120kg of methane a year (source: UN Food & Dairy Organisation), which is equivalent to the emissions produced by driving an average family car for a year. Cadbury's guide aims to reduce these emissions through changes to farm management practises such as;

- Improving herd health and welfare, enabling more milk to be produced which reduces greenhouse gas production per litre
- Optimising milk yields e.g. giving cows a diet with a balanced nutritional profile – reducing the fibre levels and increasing the starch level of cow feed
- Prudent use of fertilisers – appropriate to crop demand, timed to minimise wastage and avoiding excess use of inorganic fertilisers
- Reducing energy consumption – switching off equipment when not in use, using timers and passive infrared sensors to ensure equipment and lighting is only on when needed

The partnership is just one of the initiatives Cadbury is running as part of its Purple Goes Green strategy, in which Cadbury has committed to an absolute reduction in carbon emissions of 50% by 2020. The company also set targets to save packaging and water. Cadbury has reported progress on its sustainability commitments in its 2007/08 Corporate Responsibility and Sustainability review, launched online at: www.dearcadbury.com

Ian Walsh, Global Head of Environment at Cadbury, said:

“At Cadbury we are committed to tackling climate change and we rely on scientific research to inform the actions we take and ensure that we reach our green targets. Reducing our emissions is an exciting challenge. When I started in this role I had no idea I would find myself in a field in Wiltshire discussing how to reduce the carbon emissions from burping cows! But it does demonstrate Cadbury’s determination to examine every level of our supply chain.”

Robert Cooper, one of the Dairy Farmers taking part in the pilot, said:

“We are proud to produce fresh milk for Cadbury, which is a vital element in the production of chocolate, and are committed to improving our carbon footprint for the production of milk. This includes every activity that produces methane, nitrous oxide and carbon dioxide. Our partnership to improve the environmental impact of dairy farming is the right step forward – for us, for Cadbury, for chocolate and for the environment.”

Euan Murray, Carbon Footprinting General Manager at the Carbon Trust, added:

“In looking at how to reduce its overall environmental impact and drive out emissions from the beginning of its supply chain, Cadbury has taken a significant step forward. The Cadbury Dairy Strategy could play a lead role in helping farmers reduce their carbon footprint both here and abroad and has benefits across the wider food – and particularly the dairy industry.”

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Notes to Editors:

About Cadbury

Cadbury is a leading global confectionery company with an outstanding portfolio of chocolate, gum and candy brands. It has the largest and most broadly spread emerging markets business of any confectionery company. With origins stretching back nearly 200 years, Cadbury's brands include many global, regional and local favourites including Cadbury, Creme Egg and Green & Black's in chocolate; Trident, Dentyne, Hollywood and Bubbalo in gum; and Halls, Cadbury Eclairs, Bassett's and The Natural Confectionery Company in candy.

About Purple Goes Green

In June 2007, Cadbury set the following targets:

- Energy – 50% reduction in our absolute carbon emissions
- Packaging – 10% reduction in standard product packaging and a more stretching target of 25% for seasonal and gift ranges
- Water – 100% of “water scarce” sites will have water reduction programmes in place
- Advocacy - Campaign for change with colleagues, suppliers, customers, peers, civil society and consumers

Initial progress in meeting these targets has been significant:

Energy

- By the end of 2007 Cadbury had reduced its carbon emissions by 3 per cent, as compared to 2006, and estimates a 10 per cent reduction by 2010.
- In 2007, all the electricity used in Ireland was changed to power provided by wind turbines, reducing the carbon emissions for the Irish business by almost 40%.
- In 2008, Cadbury launched the largest roof top solar installation in New South Wales, Australia. The system is made up of a total of 640 solar panels and is capable of producing enough energy to power 21 homes while saving 140 tonnes of greenhouse gas emissions or the equivalent to taking 35 cars off the road.
- Cadbury has made considerable progress in implementing renewable energy sources, such as: hydropower to supply sites in Tasmania and Ghana; solar heating in Pakistan; and renewable power in Canada. At its Induri site in India, bagasse from the local sugar industry is used to fuel boilers on site. In Baura in Brazil, the heat of the sun is used to generate hot water for the kitchens and amenities block.

Packaging

- Cadbury Eco Eggs were a new product for Easter 2008 which have no cardboard box and are just wrapped in foil. This reduces plastic by 78 per cent and used 65 per cent less cardboard than a standard egg. The eggs won a Green Award for Best Green Packaging in November 2008
- In 2008, Cadbury North America launched a new display case for products such as Trident Xtra Care, using 50 per cent less cardboard. As well as saving on materials, these display cases were also more efficient to transport.

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Water

- Cadbury reduced consumption of water by 10% between 2006 and 2007. Cadbury used approximately nine million tonnes of water in 2007 compared with ten million in 2006.
- Cadbury's Huntingwood site in Australia was awarded a Sydney Water Innovation Award for introducing waterless lubrication in its production. This has now been introduced across 12 lines in Australia and New Zealand.
- Cadbury's Bangalore factory has harvested, cleaned and filtered rainwater for recharging the aquifer, providing assistance for 40 per cent of the population dependent on groundwater. The storm water from the roof of the factory is collected and is re-used directly into cooling towers and boilers.

More information on Cadbury's progress can be found on the [Corporate Website](#) and www.dearcadbury.com

About The Carbon Trust

- The Carbon Trust is an independent company set up by government in response to the threat of climate change, to accelerate the move to a low carbon economy by working with organisations to reduce carbon emissions and develop commercial low carbon technologies. The Carbon Trust works with UK business and the public sector through its work in five complementary areas: insights, solutions, innovations, enterprises and investments. Together these help to explain, deliver, develop, create and finance low carbon enterprise.
- The Carbon Trust is funded by the Department for Environment, Food and Rural Affairs (Defra), the Department for Business, Enterprise and Regulatory Reform (BERR), the Scottish Government, the Welsh Assembly Government and Invest Northern Ireland.
- For more information on the Carbon Trust Carbon Reduction Label visit www.carbon-label.co.uk or call the Carbon Trust Advice Line on 0800 085 2005.