

Press Release

22 December 2015

Shanks reaches full service on Wakefield PFI Contract

International waste-to-product business, Shanks Group plc (LSE:SKS) today announces that it has reached full service on its £750 million contract with Wakefield Council, following a short delay due to the previously announced insolvency of a major contractor.

Peter Eglinton, Managing Director of Shanks' Municipal Division, said:

"We are delighted to reach full service on this flagship contract with Wakefield Council. Our project and operational teams have worked exceptionally hard in conjunction with Wakefield Council to minimise the impact of the delay, which was beyond our control. Following the comprehensive two year build programme, we are now operating one of the most sophisticated waste-to-product facilities in the UK which uses innovative and integrated technologies to make more from waste. We look forward to maximising the efficiency of the plant and to increasing the amount of waste that Wakefield Council diverts from landfill."

Cllr Maureen Cummings, Wakefield Council's Cabinet Member for Environment and Communities, said:

"We are delighted that the Shanks waste treatment facility is now up and running and handling all of the district's rubbish. The latest technology that the facility provides will help to increase our recycling rate and divert around 95% of our district's waste away from landfill."

In its Pre-Close Trading Statement announced on 28 September, Shanks indicated that as a result of the insolvency of a major supplier there would be a delay to full service commencement of approximately four months. A concerted team effort from Shanks, its remaining contractors and Wakefield Council has resulted in full service commencing in-line with the revised timing. As a result of entering full service, the exceptional costs incurred will be in-line with previous guidance.

Under the 25 year contract, Shanks operates a flagship residual Waste Treatment facility at South Kirkby which will process up to 230,000 tonnes per annum of municipal solid waste from the Wakefield District. The facility uses multiple technologies to make more from waste and increase the local authority's landfill diversion rate.

In addition to the various technologies at South Kirkby, Shanks is also operating a network of Household Waste Recycling Centres (HWRCs), Transfer Stations and Bring Sites within the Wakefield District, as well as running a Visitors Centre at the South Kirkby site, which is used for waste education and the promotion of waste minimisation.

Local people were recruited to work on the construction of the new facilities as well as in the operational delivery of the service, making a significant contribution to the local economy.

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Notes to editors

Shanks Group is a leading international waste-to-product business.

The Group uses a range of cost-effective sustainable technologies to make valuable products from what is thrown away. We produce green energy, recovered fuel, recycled commodities and organic fertiliser.

Shanks meets the growing need from public and private sectors to manage waste sustainably without damaging the environment. Our solutions reduce greenhouse gas emissions, recycle natural resources and limit fossil fuel dependency.

Shanks operates in three divisions that reflect our markets: Hazardous, Commercial and Municipal. It has operations in the Netherlands, Belgium, UK and Canada and employs approximately 3,500 people.

For more information, visit: www.shanksplc.com

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