

2017-22 SUSTAINABILITY PLAN

KEY PERFORMANCE INDICATORS FOR 2021-22

SUSTAINABLE SOURCING OF COFFEE



CONSOLIDATE OUR SUPPLY BASE

2017-2022 GOALS	PROGRESS IN 2021	PROGRESS IN 2022
Increase proportion of coffee purchased from "Core" and "Developing" suppliers by 5%.	82% from "Core" and "Developing" suppliers.	79% of our coffee was purchased from "Core" and "Developing" suppliers. Although this is slightly less than in 2021, it is 6% above our baseline year of 2016.
Provide "Core" suppliers with volume commitments prior to commencement of the next harvest season.	56% of "Core" suppliers had contracts confirmed prior to the season commencing.	78% of "Core" suppliers held contracts prior to the harvest season commencing. We have made steady progress in this since we started measuring it as a KPI and only two "Core" suppliers did not have contracts in place prior to the harvest season.
Proactively support suppliers to transition from "Developing" to "Core".	No suppliers transitioned from "Developing" to "Core" due to the impacts of COVID-19.	3 suppliers transitioned from "Developing" to "Core". This is reflective of several factors including the volume we source from them, being able to visit them and the length of our trading relationship. Since launching our goals in 2017, 2021 is the only year when no suppliers transitioned to "Core".



CHAMPION CERTIFICATIONS

2017-2022 GOALS	PROGRESS IN 2021	PROGRESS IN 2022
More than 90% of coffee purchased consistently has at least one certification.	85% of coffee contracted held at least one certification. This equates to £204,000 paid in Fairtrade Premiums and £165,000 in Organic Premiums.	84% of coffee contracted held at least one certification. This equates to £637,581 paid in Fairtrade Premiums and £442,603 in Organic Premiums. We didn't reach our target of 90% as in an inflationary market, customers are challenging cost increases and, in some cases, opting for less certifications as a result. However, we will continue to promote the benefits of sourcing coffee from certified sources.
Continue progression towards 100% Rainforest Alliance (RA) certified coffee in RA Matthew Algie blends.	On average our Rainforest Alliance certified blends contained 67% certified beans. We are reviewing how our transition plan may be affected by the new Rainforest Alliance standards.	On average, our Rainforest Alliance-certified blends contained 81.74% of certified beans. Unfortunately, we have not been able to achieve our 100% target yet but our aim is to always purchase coffee with a certification and so we will continue to pursue this goal.
Partner on 3 new projects at origin with selected "Core" and "Developing" cooperatives.	Unfortunately, no new projects were launched this year due to the impacts of COVID-19.	We facilitated the launch of a new partnership project between a customer, BaxterStorey, and supplier, the Sol y Café cooperative. BaxterStorey have invested in a school run by the cooperative, meaning that children in the community will have lessons in English, music, dance and IT for the first time. Since 2017 we have launched 5 new projects at origin with "Core" and "Developing" cooperatives. These have directly benefited 519 members of the coffee growing communities that we source from.



IMPROVE KNOWLEDGE SHARING & UNDERSTANDING

2017-2022 GOALS	PROGRESS IN 2021	PROGRESS IN 2022
Visit 100% of "Core" producer partners and 50% of "Developing" suppliers.	No visits took place in 2021 due to COVID-19 travel restrictions.	Since 2017, we have visited 78% of our "Core" suppliers and 16% of our "Developing" suppliers. This is slightly less than the target but for 2 out of the 5 years, no visits could take place due to the travel restrictions put in place due to COVID-19.
Increase our supplier understanding of our priorities and requirements, the UK coffee market and end consumer, and, the other suppliers we choose to work with.	We were unable to host any suppliers in 2021 due to COVID-19 travel restrictions, however, we continued to be in touch with suppliers remotely, for example through our supplier newsletters and annual producer survey.	We did not host any suppliers in 2022, however, we continued to be in touch with suppliers remotely, for example through our supplier newsletters and annual producer survey. Since 2017 we have sent 13 supplier newsletters and hosted visits from 8 suppliers.
100% of coffee containers contracted must meet our Traceability Code of Practice.	Implemented in full in 2017 and now standard practice.	Implemented in full in 2017 and now standard practice.
Embed our approach and information requirements when sourcing micro lots for our hand-roasted range.	We continued to look for opportunities to add on micro lots to container lots from our exiting supply base. This will also be part of our discussions with producers during origin visits going forward.	We have not made specific changes to our approach and requirements in 2022. The main change that has taken place since 2017 is that our hand roasted coffees sit under our Blak Nektar brand. The changes we made to the risk assessment form for coffee suppliers has made it easier to communicate with, and assess, suppliers with regards to our ethical requirements. We have consistently looked for opportunities to showcase high quality micro lots from our existing supply base, for example from the Ascarive and Capucas cooperatives.

SUSTAINABLE SOURCING OF OTHER PRODUCTS



SUPPLIER MANAGEMENT

2017-2022 GOALS	PROGRESS IN 2021	PROGRESS IN 2022
Implement formal method for supplier prioritisation and risk assessment based upon future business requirements and sustainability objectives.	Risk assessment methodology continues to be implemented. Prioritisation methodology is yet to be developed.	Risk assessment methodology continues to be implemented. Prioritisation methodology is yet to be developed. Delays with implementation have primarily been due to changes in company structure and the impact of COVID-19 on the business. However, a review and update of our supply chain human rights and environment due diligence is planned for 2023-24.



GIVING MORE SUSTAINABLE OPTIONS

2017-2022 GOALS	PROGRESS IN 2021	PROGRESS IN 2022
Review where there are opportunities for including healthier alternatives in our range.	Islands Chocolate was launched on the Blak Nektar site. The range is all dark chocolate (at least 65% cocoa), which is rich in important minerals, including iron, magnesium, zinc, copper and phosphorus. Cocoa is also rich in flavanols, that have antioxidant, anti- inflammatory, and free-radical scavenging properties. Immunity syrup was launched in Espresso Warehouse; a tasteless syrup that can be added to any drink. It is enriched with zinc to provide immunity support.	We launched Green Tea Sencha in Espresso Warehouse. Regularly drinking green tea can help you lose weight and reduce your risk of several diseases, including diabetes, heart disease and cancer due to its antioxidant properties.



GIVING MORE SUSTAINABLE OPTIONS (CONTINUED)

2017-2022 GOALS	PROGRESS IN 2021	PROGRESS IN 2022
Consider opportunities for offering customers a more environmentally sustainable alternative.	In June 2021, we further expanded our array of Vegware products to include Matthew Algie branded Vegware cups.	We further extended our range of barista-grade plant-based alternative milks to include our Espresso Warehouse Oat, Almond, Coconut and Soya drinks.
		We also launched the Cupple in Espresso Warehouse. This combines a reusable coffee cup and water bottle so there's less to carry about.



PACKAGING

2017-2022 GOALS	PROGRESS IN 2021	PROGRESS IN 2022
Seek opportunities to reduce packaging wherever possible and to transition away from non-recyclable packaging.	We initiated a programme of reducing the height of our coffee bags (1kg) to reduce packaging. Once these changes have been implemented, we are expected to save 3,064kg of packaging per year.	In 2021, we launched our Peak and Wild coffee brand and in 2022 we launched Peak and Wild for retail. As part of our future goals to have 100% recyclable packaging, we ensured that the retail bag is fully recyclable for our customers. It can be recycled with other soft plastics at local supermarkets.
All changes to existing or new product packaging will be assessed from a carbon footprint and recyclability standpoint.	This is done on a case-by-case basis at present although we have projects underway to make improvements such as the reduction in coffee laminate. We are in the process of reducing the plastic content in our tape across other areas of the business to further cut down on virgin plastic use.	This continues to be done on a case-by-case basis however the introduction of our internal training module on the life cycle of a product helps equip our employees to make informed decisions. Since 2017, 27 members of staff have completed this training. In our coffee production area, we have switched from 100% virgin plastic tapes to tapes which contain 85% recycled plastic content. This now means all our coffee cases are sealed with 85% recycled content tape.



2017-2022 GOALS	PROGRESS IN 2021	PROGRESS IN 2022
Share information with key suppliers on best practice in the prevention of human rights abuses in their operations and supply chains.	Of our employees who have regular interactions with suppliers, 7 undertook our training module "Prevention of Modern Slavery in Supply Chains" and 6 undertook our "Human Rights" training module.	Of our employees who have regular interactions with suppliers, 33 undertook our training module "Prevention of Modern Slavery in Supply Chains" and 9 undertook our "Human Rights" training module.



SUSTAINABLE PURCHASES FOR INTERNAL OPERATIONS

2017-2022 GOALS	PROGRESS IN 2021	PROGRESS IN 2022
All office-based employees use reusable (instead of disposable) cups.	Fully implemented since 2017.	Fully implemented since 2017.
Define sustainability criteria and guidelines for purchases of products and services that we use internally.	This continues to be done on a case-by-case basis.	This continues to be done on a case-by-case basis.

REDUCING OUR ENVIRONMENTAL IMPACT

REDUCE WASTE

2017-2022 GOALS	BASELINE 2016	PROGRESS IN 2021	PROGRESS IN 2022
Reduce percentage of waste to landfill to less than 1% of total waste.	16%	Since 2018 we have been working with a waste contractor who does not send any residual waste to landfill.	Since 2018 we have been working with a waste contractor who does not send any residual waste to landfill.
		Due to a failure in our weighing equipment at one of our sites, some of our data for 2021 was estimated. The total percentage of general waste across all 3 sites was 19%. The main site was 8% excluding waste figures from the other buildings.	The total percentage of general waste across all 3 sites was 15%. The main roastery site was 8% excluding waste figures from the other buildings.
Reduce total waste per tonne of coffee roasted by 5%.	55kg/tonne	We produced 44kg of waste per tonne of coffee roasted for the main site. This is a 20% decrease on the baseline.	We produced 50kg of waste per tonne of coffee roasted for the main site in 2022. This is a 9% decrease from the baseline and demonstrates the progress we have made in this area over the last 5 years.



REDUCE ENERGY CONSUMPTION

2017-2022 GOALS	BASELINE 2016	PROGRESS IN 2021	PROGRESS IN 2022
Reduce our net CO ₂ emissions per tonne of coffee roasted by 10%.	915kg CO ₂ e/ tonne	Since 2018, we have worked with One Carbon World to measure and offset our carbon emissions on an annual basis. Therefore, our operations, within the scope of our assessment, are carbon neutral. However, as detailed in the "Environment" section of our report, we have updated the way we conduct our emissions assessment to ensure we more accurately capture our Scope 3 emissions.	Our electricity usage was 782,035 kWh, equating to a 18% decrease on our baseline. The main drivers of this success have been replacing all lighting in our owned sites with LED units and upgrading IT and audio-visual equipment with more energy-efficient technology.
No increase in our absolute electricity usage.	947,249 kWh	Our electricity usage was 739,966 kWh, equating to a 22% decrease on our baseline. This can be attributed to fewer colleagues being in the office buildings in 2021 due to COVID-19-induced working from home arrangements as well as lower volumes of coffee being roasted.	Our electricity usage was 782,035 kWh, equating to a 18% decrease on our baseline. The main drivers of this success has been replacing all lighting in our owned sites with LED units and upgrading IT and audio-visual equipment with more energy-efficient types.



REDUCE ENERGY CONSUMPTION (CONTINUED)

2017-2022 GOALS	BASELINE 2016	PROGRESS IN 2021	PROGRESS IN 2022
Reduce our gas usage per tonne of roasted coffee by 5%.	98m³/tonne	Benchmarking our gas usage against productivity, we have utilised 138 m ³ of gas per tonne of coffee roasted. This amounts to an increase of 40% on baseline primarily because we established a new warehouse and office space which increased our square footage by 31%.	Gas usage decreased from 2021 by 19% to 112m ³ / tonne of coffee roasted. Changes to maximum loading drum weights have been designed to improve efficiencies and optimise gas usage. Furthermore, the roof insulation at the new premises has contributed to an 18% reduction in gas used in this building. However, since our 2016 baseline we have increased the gas, we use per tonne of coffee roasted by 15%. This is primarily due to the expansion of our Glasgow premises which has increased our square footage by 31%.
Increase the fuel efficiency of journeys driven by field staff by 10%.	38 MPG	We achieved 34 MPG on average across the fleet. This is equivalent to an 8% decrease on last year and an 8% decrease from baseline. To combat this, we are investing in electric vehicles and electric charging points.	We achieved 26.8 MPG, a marked decline on previous years, which is disappointing. We recognise that this must be a priority for improvement in future and have made commitments in our Net Zero by 2040 Roadmap to pursue our transition to electric vehicles.



INSPIRE BEHAVIOUR CHANGE

2017-2022 GOALS	BASELINE 2016	PROGRESS IN 2021	PROGRESS IN 2022
At least one employee engagement campaign per year which reaches 100% of employees.	100%	We haven't re-launched our "Sustainability Week" events week since before the COVID-19 pandemic, however instead we regularly communicate this content to all employees via 'Workplace', an internal social media website. This suits us well because of the number of employees who work remotely.	We communicate with all employees via 'Workplace', an internal social media website. We regularly share content to help employees understand what behaviours they can change to become more sustainable.



ENVIRONMENTAL MANAGEMENT SYSTEM

2017-2022 GOALS	BASELINE 2016	PROGRESS IN 2021	PROGRESS IN 2022
Maintain ISO 14001 certified Environmental Management System.	Certified	The audit was undertaken remotely and recertification was successfully secured.	The audit was undertaken remotely and recertification was successfully secured. We have held this certification since 2014.
Train Environment Committee so that they are equipped and empowered to be ambassadors for change.	2 (18%)	No training took place this year, primarily due to a reduction in internal resource due to the COVID-19 pandemic.	3 (27%) members completed our Lifecycle Perspective training module.



REDUCE WATER USAGE

2017-2022 GOALS	BASELINE 2016	PROGRESS IN 2021	PROGRESS IN 2022
Reduce the amount of non- production water used per £1,000 of company turnover by 5%.	26 litres/ £1,000. 2018 was our baseline year for this indicator because previously we had been unable to measure water usage at all of our sites. We now have comprehensive data for all our Glasgow- based offices, warehouses and production area.	Benchmarking our water usage against productivity, we utilised 23 litres of non-production water per £1,000 of company turnover. This is equivalent to an 8% reduction on our baseline.	Our non-production water usage in 2022 was 26 litres per £1,000 of company turnover. Unfortunately, though we have made efficiencies in water usage at two of our main premises in Glasgow, we have struggled to make the same gains at our newest premises, where water usage has consistently much higher than in our baseline year. This is due to a greater number of colleagues on site than in our baseline year.



SKILLS & EMPLOYEE DEVELOPMENT

2017-2022 GOALS	BASELINE 2016	PROGRESS IN 2021	PROGRESS IN 2022
Achieve Investors in People Silver standard.	Silver	We no longer feel this certification adds value to the business. However, we did complete our Ecovadis assessment in 2021 and achieved a "Silver" overall rating, based upon their four pillars of assessment – Labour and human rights, ethics, sustainable procurement, and environment. Furthermore, the Coffee Service Group was awarded the Real Living Wage accreditation for committing to a minimum wage of £9.90 per hour across the Group.	Consistent with 2021, we achieved a "Silver" overall rating in our Ecovadis assessment based upon their four pillars of assessment – Labour and human rights, ethics, sustainable procurement, and environment. We remain committed to achieving the Real Living Wage accreditation, which involved an increase of the minimum wage to £10.90 per hour.
Increase in number of roles filled internally to 20%.		22.4% of roles were filled internally.	 5.9% of roles were filled internally. This is a much smaller percentage than in previous years, primarily because we had a very high number of total vacancies in 2022 due to internal restructuring. Overall, since 2017, we have filled 78 vacancies internally.
Reduce the ratio of agency workers to fulltime staff to 1 in 50 employees.	1 in 37.5	The ratio of agency workers to fulltime employees was 1 in 87.1. A significant improvement from our baseline of 1 in 37.5 in 2016.	The ratio of agency workers to full time employees was 1 in 50. This demonstrates the progress we have made in workforce planning and the benefits that this has bought to our people.



EMPLOYEE ENGAGEMENT

2017-2022 GOALS	BASELINE 2016	PROGRESS IN 2021	PROGRESS IN 2022
Response rate to culture survey consistently over 80%.	87.5%	The introduction of the group-wide survey has been delayed due to the impact of COVID-19 on the business.	We reintroduced our survey this year and achieved a 77% response rate. This is not quite reaching our target but we still intend to pursue this increased level of engagement.
Meet industry benchmark for "Employee Engagement" in annual culture survey.	74% (benchmark was 79%)	No culture survey completed however a pulse survey was completed in the Roastery which had 89% completion rate.	The necessary reformatting of our survey means that we cannot make a direct comparison with our baseline for this indicator.
Employee forum members have the skills they need to represent the workforce.	100% have received necessary training	The employee forum has temporarily been suspended due to the impact of COVID-19 on the business.	No refresher training given but the employee forum has been restarted as a means for engaging our workforce.



FAIR TREATMENT & PROTECTION OF HUMAN RIGHTS

2017-2022 GOALS	BASELINE 2016	PROGRESS IN 2021	PROGRESS IN 2022
Percentage of staff logging employee grievances at less than 1% per year.	0%	3 grievances noted, equivalent to 6.3% of employees.	8 grievances were noted which equated to 3.2% of all employees, all of which were resolved.
Supervisors and managers receive training on the prevention of modern slavery in the workplace.		Our Human Rights Training module was created in 2019 and rolled out initially to Glasgow-based line managers.	The modern slavery module continues to be offered to all staff as part of our e-learning platform and at induction.
		More broadly, modern slavery training is offered to all staff on our e-learning platform.	77% of Glasgow-based supervisors and managers completed our internal Human Rights Training.



EMPLOYEE WELLBEING

2017-2022 GOALS	BASELINE 2016	PROGRESS IN 2021	PROGRESS IN 2022
Absenteeism due to sickness less than 3%.	3.4%	Absenteeism due to sickness at 1.22%	Absenteeism due to sickness was 2%, demonstrating an improvement on our baseline of 3.4% in 2016.
12.5% of workforce take up Cycle2Work scheme.	12.9%	Due to the impact of COVID-19 on the business this scheme was not opened up to new participants in 2021.	No scheme was offered this year but our intention is to restart the scheme in 2023.
Promote healthier lifestyles through at least one targeted internal campaign per year.		Unfortunately, the impact of COVID-19 on the business meant that we were unable to run a campaign in 2021.	No campaign week took place this year because of limitations on internal resource.



DIVERSITY & INCLUSION

2017-2022 GOALS	PROGRESS IN 2021	PROGRESS IN 2022
Offer work experience scheme for young people where uptake is equivalent to 2% of the workforce.	4 individuals, equating to 1.7% of the workforce gained employability skills and experience through our student placement and apprenticeship schemes (IT, Finance, Engineering and QA). Our IT apprentice and QA student have since been promoted to a full-time roles within the business.	We had 1 apprentice in Finance, 1 apprentice in Engineering, 1 work experience placement in Commercial, 2 work experience placements in QA and 1 work experience placement in HR. This equated to 2% of the workforce. Overall, since 2017, 15 young people have benefitted from placements or apprenticeships in the business. Of these 4 went on to take up a permanent position in the business.
Report our gender pay gap on an annual basis.	We have not yet reported our gender pay gap data analysis externally.	We have not yet reported our gender pay gap data analysis externally as we are not legally required to do so.

ENGAGING WITH OUR COMMUNITY



GIVING BACK TO OUR COFFEE COMMUNITY

2017-2022 GOALS	PROGRESS IN 2021	PROGRESS IN 2022
Donate towards a community development project in coffee growing communities (not necessarily linked to our supply chain) every year.	The Capucas bees project continued in 2021 as the implementation was slightly delayed due to the COVID-19 pandemic. The project supported 50 coffee farmers to also produce honey. Full details of the impact of the project are detailed in the "Community" section of our main report.	Since 2015, we have partnered with the Fundación Amigos del Café (or "Friends of Coffee Foundation") a small charity based in Honduras. Since the beginning of the partnership we have funded 4 projects and donated £45,000. In 2022 we made a further \$8,000 donation to the Fundación to help support a project to promote and educate 167 Peruvian school children on healthy eating.
Provide consistent support to the David Williamson Rwanda Foundation to achieve a total cumulative donation in excess of £9,000.	Historically our donation to the DWRF was tied to the culture survey response rate. However, the survey was temporarily suspended and no donation was made this year.	The suspension of our culture survey meant that this partnership with the DWRF was discontinued. Overall, since 2017 we donated £3,700 to the charity.
Promote fairer terms of trade for coffee farmers through advocacy and knowledge sharing.	There were fewer opportunities for advocacy and speaking at events during the COVID-19 pandemic, however, we continued to speak to customers and other stakeholders on the importance of remaining committed to these values.	Our Sustainability Manager was a guest panellist at the Royal Bank of Scotland's "Venturing Forward: Sustainable Transition" event. Furthermore, on the 25th anniversary of introducing the first Fairtrade espresso to the UK market, we hosted two online panel discussions to mark the occasion. We were joined by guest speakers including, coffee farmers and representatives from around the world, along with the team at Fairtrade Foundation and our own in- house experts. The focus was on Empowering Women in Coffee and The Future of Coffee. Further details of these events are given in the "Coffee Sourcing" section of our main report.



POSITIVE CUSTOMER INFLUENCE

2017-2022 GOALS	PROGRESS IN 2021	PROGRESS IN 2022
Engage our customers in opportunities to make their operations more socially and environmentally sustainable.	We launched our Peak and Wild coffee brand in 2021 which was a great opportunity to engage customers in a product line with particular focus on sustainability. To complement the sustainable sourcing of the product, we launched a partnership with the John Muir Trust to demonstrate our care for preserving Scotland's rainforest and engaging young people in conservation activities.	Bespoke support was provided to customers to advise on how to set up sustainable cafes. We also created relevant content in our quarterly e-zine such as the Sustainability Edition in late 2022.



GIVING BACK TO OUR LOCAL COMMUNITY

2017-2022 GOALS	PROGRESS IN 2021	PROGRESS IN 2022
Support the Prince and Princess of Wales Hospice's "Brick by Brick" appeal.	Complete. The Hospice reached its fundraising target of £21m for the "Brick by Brick" appeal in 2018.	Complete. The Hospice reached its fundraising target of £21m for the "Brick by Brick" appeal in 2018. Prior to this we raised £8,370 to donate to the cause.
Facilitate at least one fundraising activity or volunteering event per year for employees to take part in.	During the COVID-19 pandemic we paused the fundraising activities that had been organised by the company because it was difficult to gather together employees in person. However, there were still opportunities to raise money for our partner charities. For example, we donated £400 to the Make-A-Wish Foundation.	Due to internal resource we did not formally organise any fundraising activities. However, since 2017 we raised £4,550 for the Make-A-Wish Foundation and £2,071 for Macmillan Cancer Support. Furthermore, new partnerships with local charities have allowed us to donate 1,796kg of products nearing their best before date.
Provide coffee school training to those in need of employability skills.	We have been working with local schools to provide barista skills training. We created the National 5 Barista Skills course which is part of the Scottish Qualification Authorities curriculum.	We have continued to work with local schools to provide barista skills training and continued to support the rollout of the National 5 Barista Skills course which is part of the Scottish Qualification Authorities curriculum. Supported with links to industry, it will facilitate young adults gaining employment in the coffee industry.
Encourage young people to consider a career in the food and drink industry.	Our Head of Coffee Sourcing, Estelle, gave a remote presentation to a local primary school assembly. It focused on where we source our coffee from and our relationship with Fairtrade.	In 2022, we invited a cohort of young adults from Barnardos to Matthew Algie for a roastery tour and cupping session.
Seek out partnerships with research institutions to further public understanding of best practice in sustainability.	We continue to look for new opportunities to collaborate on research partnerships but we do not have any live programmes at present.	We continue to look for new opportunities to collaborate on research partnerships but we do not have any live programmes at present.



For further details, please refer to our 2021/22 Sustainability Report