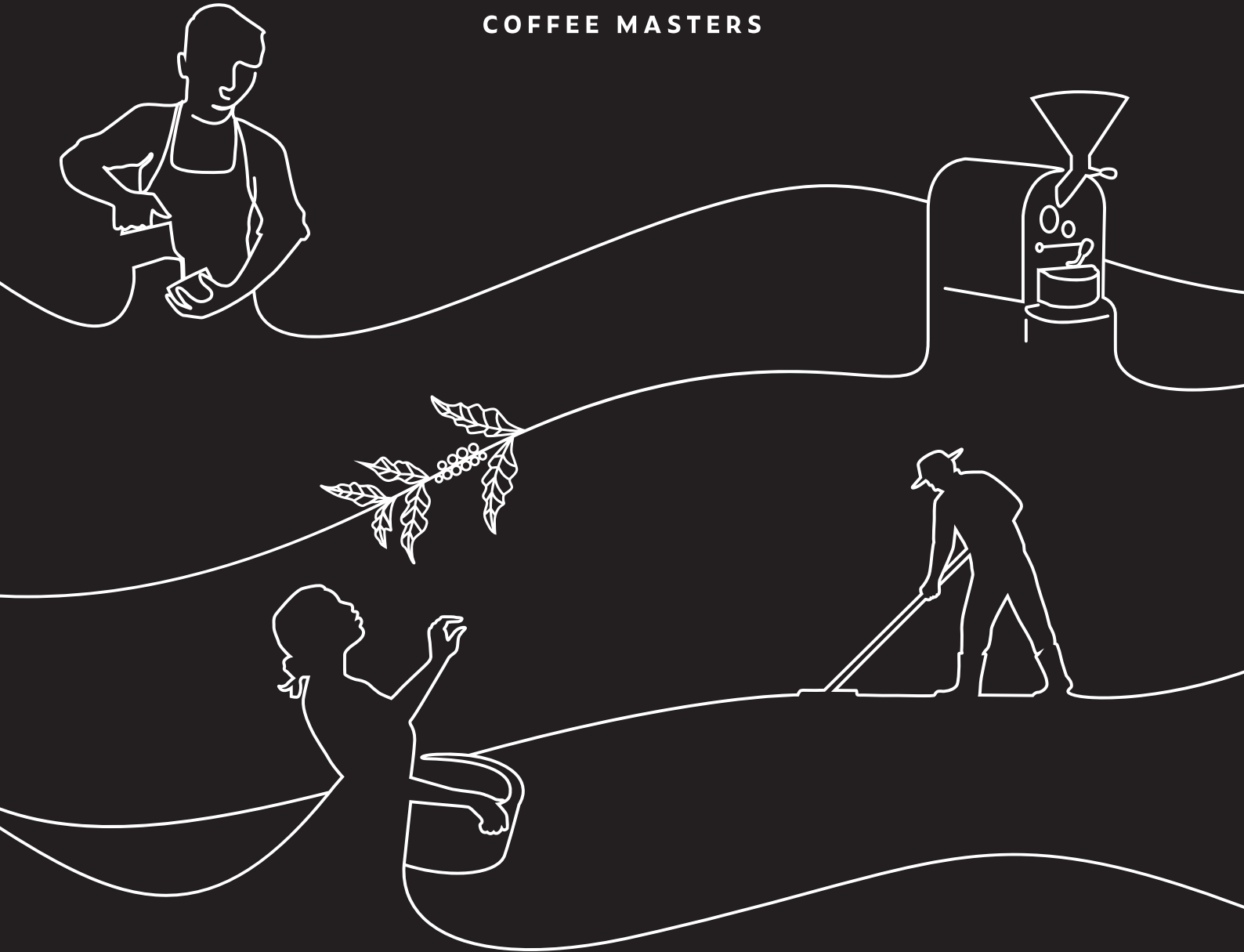




MATTHEW ALGIE

COFFEE MASTERS



2017-2022 SUSTAINABILITY PLAN

KEY PERFORMANCE INDICATORS FOR 2019-20

SUSTAINABLE SOURCING OF COFFEE



CONSOLIDATE OUR SUPPLY BASE

2017-2022 GOALS	PROGRESS IN 2019	PROGRESS IN 2020
Increase proportion of coffee purchased from "Core" and "Developing" suppliers by 5% (Target: 78%).	85% contracted from "Core" and "Developing" suppliers.	80% contracted from "Core" and "Developing" suppliers.
Provide "Core" suppliers with volume commitments prior to commencement of the next harvest season.	40% of "Core" suppliers had contracts confirmed prior to the season commencing.	40% of "Core" suppliers had contracts confirmed prior to the season commencing.
Proactively support suppliers to transition from "Developing" to "Core".	Supported ASCARIVE to transition to "Core".	ACPCU in Uganda has transitioned to "Core".



CHAMPION CERTIFICATIONS

2017-2022 GOALS	PROGRESS IN 2019	PROGRESS IN 2020
More than 90% of coffee purchased consistently has at least one certification.	97.6% of coffee contracted held at least one certification. This equates to more than £1.6M paid in Fairtrade and organic premiums.	99.1% of coffee contracted held at least one certification. This equates to £427,000 paid in Fairtrade and organic premiums.
Continue progression towards 100% Rainforest Alliance (RA) certified coffee in RA Matthew Algie blends.	On average our RA certified blends contained 67% certified beans. Coinciding with the transition plan, some blends already have 100% whilst others are currently at 50%. All blends comply with the 30% minimum content and labelling requirements.	On average our RA certified blends contained 67% certified beans. We are reviewing how our transition plan may be affected by the new Rainforest Alliance standards.



COLLABORATE TO ACHIEVE MUTUAL BENEFITS

2017-2022 GOALS	PROGRESS IN 2019	PROGRESS IN 2020
Partner on 3 new projects at origin with selected "Core" and "Developing" cooperatives.	The commencement of our new partnership with Ground and COCAFELOL marks the third project launched since 2017.	Launched a new partnership with Smokin' Bean and the Valle Ubiriki cooperative.



IMPROVE KNOWLEDGE SHARING & UNDERSTANDING

2017-2022 GOALS	PROGRESS IN 2019	PROGRESS IN 2020
Visit 100% of "Core" producer partners and 50% of "Developing" suppliers.	70% of "Core" and 18% of "Developing" suppliers visited to date. In 2019, we visited Valle Ubiriki, Sol y Café, ASCARIVE, Cocatrel, Café Bras, COOMAP, SMC and Expocaccer.	67% of "Core" and 19% of "Developing" suppliers visited to date. Due to COVID-19 travel restrictions we were only able to visit Honduras in early 2020.
Increase our supplier's understanding of our priorities and requirements, the UK coffee market and end consumer, and, the other suppliers we choose to work with.	In 2019 we sent two supplier newsletters. We also hosted Aimable from the Sholi cooperative, Armia from Permata Gayo, Ivania from Aldea Global and Rafael from COOMAP.	In 2020 we sent two supplier newsletters. Unfortunately we have not been able to host producers due to COVID-19 travel restrictions.
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 microlots for our hand-roasted range.	New Blak Nektar brand launched including clear sourcing principles.	Changes to our risk assessment form has made it easier to communicate with, and assess, suppliers with regards to our ethical requirements. We also purchased microlots from three key suppliers – Valle Ubiriki, Ascarive and Capucas – to showcase in our Blak Nektar range.

SUSTAINABLE SOURCING OF OTHER PRODUCTS



SUPPLIER MANAGEMENT

2017-2022 GOALS	PROGRESS IN 2019	PROGRESS IN 2020
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.



GIVING MORE SUSTAINABLE OPTIONS

2017-2022 GOALS	PROGRESS IN 2019	PROGRESS IN 2020
Review where there are opportunities for including healthier alternatives in our range.	We launched several new ready to drink options in our catalogue. DASH sparkling water cans, which are zero calories and contain no sugar or sweeteners, and Gunna soda cans which are inspired by world famous soft drinks brands but use only natural ingredients and contain no artificial colourings or flavours. Furthermore, each Gunna can contains less sugar than comparable products on the market. We also expanded our Minor Figures products to include their sugar-free chai concentrate. This is a healthier alternative to the chai syrup and powder that	Further developing our ready to drink range, we launched Suki sparkling teas which are made with real brewed tea and have no added sugar. We also launched Kombucha Kat cans in two organic flavours. Kombucha contains live unpasteurised bacteria which are known to support good gut health.

GIVING MORE SUSTAINABLE OPTIONS (CONTINUED)

2017-2022 GOALS	PROGRESS IN 2019	PROGRESS IN 2020
	<p>we currently have available. Additionally, we launched Hello Good Sip's beetroot latte powder, as a 100% natural, caffeine-free alternative to a coffee. Beetroot is known to be anti-inflammatory and is high in anti-oxidants and vitamins.</p>	
<p>Consider opportunities for offering customers a more environmentally sustainable alternative.</p>	<p>We launched Circular & Co reusable cups which were formally known as rCUPS. The outer thermal insulation layer is manufactured from recycled paper coffee cups. We also introduced Vegware cold compostable cups, lids and straws to complement our existing range of hot drinks cups. The DASH sparkling water products (referred to on page 03) use "wonky" fruit to infuse flavour, helping reduce food waste in UK supply chains. They are also produced locally in the UK using British spring water.</p>	<p>We extended our KeepCup offering to include their stainless-steel cups which are long-lasting, insulating reusable cups. Further expanding our array of Vegware products, we introduced a selection of compostable take-away food containers. We extended our range of non-dairy milk alternatives to include Minor Figures organic certified oat mylk and Alpro almond, coconut and soya alternatives.</p>



PACKAGING

2017-2022 GOALS	PROGRESS IN 2019	PROGRESS IN 2020
<p>Seek opportunities to reduce packaging wherever possible and to transition away from non-recyclable packaging.</p>	<p>An extensive Suki Tea rebrand included changes to the packaging materials used in their products. They have almost entirely transitioned away from plastic and use compostable alternatives for their pyramid teabags, inner retail bags and foodservice bags.</p>	<p>Da Vinci syrups redesigned their plastic bottles, reducing their plastic content by 40%. We launched a version of our existing Wooden Spoon mini shortbread bites in a catering size pack. This option uses packaging more efficiently in instances</p>

PACKAGING (CONTINUED)

2017-2022 GOALS	PROGRESS IN 2019	PROGRESS IN 2020
	<p>We worked with our supplier to replace the internal plastic sleeves with recyclable cardboard dividers in Wooden Spoon biscuit cases. Furthermore, Peppersmith Mints removed the individual plastic wrapping from around their packs.</p>	<p>where the individually wrapped packs are unnecessary.</p>
<p>All changes to existing or new product packaging will be assessed from a carbon footprint and recyclability standpoint.</p>	<p>We launched a review of packaging across our portfolio focusing on sustainability criteria such as recyclability and carbon. This project facilitates clearer comparisons across products and will help us to better define our priorities for action. A key area of innovation has been reviewing compostable and recyclable coffee laminates as an alternative for our Matthew Algie packaging. The review concluded that from a resource efficiency and carbon footprint perspective we should focus on the recyclable options.</p>	<p>The packaging review and laminate innovation projects are still in progress. By looking in more detail at the packaging that we use internally, we were able to substitute our standard case tape for a paper-based tape which is more easily recyclable with our cardboard cases.</p>



HUMAN RIGHTS

2017-2022 GOALS	PROGRESS IN 2019	PROGRESS IN 2020
<p>Share information with key suppliers on best practice in the prevention of human rights abuses in their operations and supply chains.</p>	<p>We commenced a process of introducing individual supplier agreements to set out our contractual terms. This process highlighted that there was room for</p>	<p>Of our employees who have regular interactions with suppliers, 3 undertook our training module "Prevention of Modern Slavery in Supply Chains" and 7 undertook</p>

HUMAN RIGHTS (CONTINUED)

2017-2022 GOALS	PROGRESS IN 2019	PROGRESS IN 2020
	<p>improving how we communicate our expectations for how suppliers should show respect for human rights. We therefore updated our Supplier Manual, individual supplier contracts and Conditions of Purchase to facilitate clearer, more consistent, communication on our requirements.</p> <p>Of our employees who have regular interactions with suppliers, 9 undertook our training module "Prevention of Modern Slavery in Supply Chains" and 8 undertook our "Human Rights" training module.</p>	<p>our "Human Rights" training module.</p>



SUSTAINABLE PURCHASES FOR INTERNAL OPERATIONS

2017-2022 GOALS	PROGRESS IN 2019	PROGRESS IN 2020
<p>All office-based employees use reusable (instead of disposable) cups.</p>	<p>Fully implemented since 2017.</p>	<p>Fully implemented since 2017.</p>
<p>Define sustainability criteria and guidelines for purchases of products and services that we use internally.</p>	<p>This continues to be done on a case by case basis at present. For example, we included sustainability criteria in the review of our waste management contract and when looking at the paper we buy for printing purposes.</p>	<p>This continues to be done on a case by case basis at present. For example, the introduction of paper-base tape for sealing cases mentioned above. We also included sustainability criteria in our review of our travel consultants contract and the review of our leased vehicle contract.</p>

REDUCING OUR ENVIRONMENTAL IMPACT



REDUCE WASTE

2017-2022 GOALS	PROGRESS IN 2019	PROGRESS IN 2020
Reduce percentage of waste to landfill to less than 1% of total waste.	Since 2018 we have been working with a waste contractor who does not send any residual waste to landfill. All our non-recyclable waste (4% of waste at our main site) is sent for energy from waste processing.	Per 2019, all our residual, non-recyclable waste (~7.5% of waste at our main site) was sent for energy from waste processing.
Reduce total waste per tonne of coffee roasted by 5%.	We produced 50.6 Kg waste per tonne of coffee roasted at our main site. This equates to a 7.5% decrease from our baseline.	Unfortunately, for some parts of the year where the business was in lockdown, we had to introduce some estimates to our data records. We therefore estimate that we produced 60.6 Kg waste per tonne of coffee roasted at our main site, equivalent to an 11% increase from our baseline. However, our absolute waste at our main site was down by approximately 47% compared to 2019.



REDUCE ENERGY CONSUMPTION

2017-2022 GOALS	PROGRESS IN 2019	PROGRESS IN 2020
Reduce our net CO2 emissions per tonne of coffee roasted by 10%.	Since 2018, we have established a partnership with One Carbon World including offsetting our carbon emissions on an annual basis. Therefore our operations, within the scope of our assessment, are	Per 2019, our commitment to offsetting our emissions on an annual basis means that our operations, within the scope of our assessment, are carbon neutral. Our 2020 emissions are currently in the process

REDUCE ENERGY CONSUMPTION (CONTINUED)

2017-2022 GOALS	PROGRESS IN 2019	PROGRESS IN 2020
	<p>carbon neutral. Comparing like-for-like calculations, our emissions for 2019 equated to 891Kg CO₂e per tonne of coffee roasted. This is equivalent to a 3% decrease from our baseline in 2016.</p>	<p>of being calculated. The full details of this information will be published as an update to our 2019-20 Sustainability Report when it becomes available.</p>
<p>No increase in our absolute electricity usage.</p>	<p>Our electricity usage was 920,065 kWh, equivalent to a 3% decrease on our baseline in 2016.</p>	<p>Our electricity usage was 688,836 kWh, equating to a 27% decrease on our baseline. However, the primary cause of this decrease was the reduced operations at our roastery due to lockdown restrictions.</p>
<p>Reduce our gas usage per tonne of roasted coffee by 5%.</p>	<p>Our gas usage was equivalent to 127m³ per tonne of coffee roasted. This marks a 29% increase on our 2016 baseline. The increase has been primarily driven by space heating and has been significantly impacted by the establishment of our new warehouse and office space which has increased our square footage by 31%.</p>	<p>Overall our absolute gas usage has decreased by 27% on 2019. However, the main cause of this efficiency, was the reduced operations at our roastery due to lockdown restrictions. Benchmarking our gas usage against productivity, we have utilised 206 m³ of gas per tonne of coffee roasted, equivalent to an 110% increase on our 2016 baseline. The reduced efficiency seen here has been due to needing to heat our premises even when our coffee volumes have reduced, and because we have not been able to plan our roast scheduling as efficiently as we would have liked.</p>
<p>Increase the fuel efficiency of journeys driven by field staff by 10%.</p>	<p>Our fuel efficiency across the fleet was 36.9 MPG. This is a small increase on our 2016 baseline of 2.5%.</p>	<p>Our fuel usage has decreased by 40% in absolute terms due to the impact of COVID-19 on the business. However, our fuel efficiency across the fleet was 36.5 MPG in 2020. This is a 1% increase on our 2016 baseline.</p>



INSPIRE BEHAVIOUR CHANGE

2017-2022 GOALS	PROGRESS IN 2019	PROGRESS IN 2020
At least one employee engagement campaign per year which reaches 100% of employees.	Completed in September-October. All employees received campaign emails and 50 employees actively took part in the organised activities.	Unfortunately, the impact of COVID-19 on the business meant that we were unable to run a campaign in 2020. We plan to run our next campaign week in early 2021.



ENVIRONMENTAL MANAGEMENT SYSTEM

2017-2022 GOALS	PROGRESS IN 2019	PROGRESS IN 2020
Maintain ISO 14001 certified Environmental Management System.	Recertification successfully achieved.	The audit was undertaken remotely and recertification was successfully secured.
Train Environment Committee so that they are equipped and empowered to be ambassadors for change.	One representative undertook our "Life Cycle Perspective" training module.	One representative attended our internal training on our approach to carbon footprinting and offsetting.



REDUCE WATER USAGE

2017-2022 GOALS	PROGRESS IN 2019	PROGRESS IN 2020
Reduce the amount of non-production water used per £1,000 of company turnover by 5%.	We used 23.3 litres of water per £1,000 of company turnover. This is equivalent to a 8.9% decrease compared to our 2018 baseline.	Overall our absolute water usage has decreased by 43% on 2019. However, the main cause of this efficiency, was the reduced operations at our roastery due to lockdown restrictions. Benchmarking our water usage against productivity, we have utilised 26.4 litres of non-production water per £1,000 of company turnover. This is equivalent to a 3% increase on our 2018 baseline.

INVESTING IN OUR PEOPLE



SKILLS & EMPLOYEE DEVELOPMENT

2017-2022 GOALS	PROGRESS IN 2019	PROGRESS IN 2020
Achieve Investors in People Silver standard.	Currently at "accredited" level.	Currently at "accredited" level.
Increase in number of roles filled internally to 20%.	22.2% of roles were filled internally.	31.7% of roles were filled internally.
Reduce the ratio of agency workers to fulltime staff to 1 in 50 employees.	The ratio of agency workers to fulltime employees reduced to 1 in 51.	The ratio of agency workers to fulltime employees reduced to 0 in 50.



EMPLOYEE ENGAGEMENT

2017-2022 GOALS	PROGRESS IN 2019	PROGRESS IN 2020
Response rate to culture survey consistently over 80%.	The culture survey has been temporarily suspended, with plans to introduce a new group-wide survey in place.	The introduction of the group-wide survey has been delayed due to the impact of COVID-19 on the business. However, a survey targeting specific issues (e.g. home-working) was utilised.
Meet industry benchmark for "Employee Engagement" in annual culture survey.	As above, the culture survey has been temporarily suspended, with plans to introduce a new group-wide survey.	As above, the introduction of the new group-wide survey has been delayed by the impact of COVID-19 on the business.
Employee forum members have the skills they need to represent the workforce.	No refresher training was required in 2019.	The employee forum has temporarily been suspended due to the impact of COVID-19 on the business.



FAIR TREATMENT & PROTECTION OF HUMAN RIGHTS

2017-2022 GOALS	PROGRESS IN 2019	PROGRESS IN 2020
Percentage of staff logging employee grievances at less than 1% per year.	No employee grievances noted.	2 grievances noted, equivalent to 0.87% of employees.
Supervisors and managers receive training on the prevention of modern slavery in the workplace.	Human Rights Training module rolled out to all Glasgow-based line managers.	All Glasgow-based line managers undertake Human Rights Training module as standard.



EMPLOYEE WELLBEING

2017-2022 GOALS	PROGRESS IN 2019	PROGRESS IN 2020
Absenteeism due to sickness less than 3%.	Absenteeism due to sickness at 2%.	Absenteeism due to sickness at 2.3%.
12.5% of workforce take up Cycle2Work scheme.	13 new employees signed up in 2019. 51 participants have signed up over the lifetime of the scheme (equivalent to 20% of the workforce).	Due to the impact of COVID-19 on the business this scheme was not opened up to new participants in 2020.
Promote healthier lifestyles through at least one targeted internal campaign per year.	Completed in September-October. All employees received campaign emails and 50 employees actively took part in the organised activities.	Unfortunately, the impact of COVID-19 on the business meant that we were unable to run a campaign in 2020. We plan to run our next campaign week early 2021.



DIVERSITY & INCLUSION

2017-2022 GOALS	PROGRESS IN 2019	PROGRESS IN 2020
Offer work experience scheme for young people where uptake is equivalent to 2% of the workforce.	6 individuals, equating to 2.4% of the workforce gained experience through our placement and apprenticeship schemes.	4 individuals, equating to 1.7% of the workforce gained employability skills and experience through our student placement and apprenticeship schemes.
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.

ENGAGING WITH OUR COMMUNITY



GIVING BACK TO OUR COFFEE COMMUNITY

2017-2022 GOALS	PROGRESS IN 2019	PROGRESS IN 2020
Donate towards a community development project in coffee growing communities (not necessarily linked to our supply chain) every year.	Our 2018 project with the Fundación Amigos del Café and the COCASMIL cooperative extended into 2019. In total, 45 producers were trained in best practice coffee processing and 360 beds (8 beds per farmer) were constructed.	We developed a new project for 2020-21 in partnership with the Fundación and the Capucas cooperative. It will support the development of honey production on coffee farms.
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 has been tied to the culture survey response rate. However, the survey has been temporarily suspended and no donation was made this year.	The introduction of the group-wide survey has been delayed due to the impact of COVID-19 on the business and therefore no donation was made this year.
Promote fairer terms of trade for coffee farmers through advocacy and knowledge sharing.	We were actively involved in the consultation process for the new Rainforest Alliance farm standards. Our Managing Director was a guest speaker at an event at the University of Bath, "Fairtrade or Direct Trade – What is the difference?"	Our Sustainability Manager was a guest panellist at the Fairtrade Foundation's "She Deserves" event in Fairtrade Fortnight.



GIVING BACK TO OUR LOCAL COMMUNITY

2017-2022 GOALS	PROGRESS IN 2019	PROGRESS IN 2020
Support the Prince and Princess of Wales Hospice's "Brick by Brick" appeal.	Complete. The Hospice reached it's fundraising target of £21m for the "Brick by Brick" appeal in 2018.	Complete. The Hospice reached it's fundraising target of £21m for the "Brick by Brick" appeal in 2018.

GIVING BACK TO OUR LOCAL COMMUNITY (CONTINUED)

2017-2022 GOALS	PROGRESS IN 2019	PROGRESS IN 2020
Facilitate at least one fundraising activity or volunteering event per year for employees to take part in.	Our Steptember campaign and Jingle & Mingle Christmas event raised £3,570 for our partner charity, Make-A-Wish. We also took part in the World's Biggest Coffee Morning and raised £355 for Macmillan Cancer Support.	In the run up to Christmas we raffled off a Moccamaster and Blak Nektar gift set to employees. The raffle raised £580 for Make-A-Wish.
Provide coffee school training to those in need of employability skills.	In partnership with Uddingston Grammar School we helped to establish a new pupil-run school café which will facilitate pupils gaining an official barista qualification.	The engagement with Uddingston Grammar has expanded to other local schools and colleges who are interested in running similar courses. We hosted an "open day" for teachers before the lockdown restrictions came into force.
Encourage young people to consider a career in the food and drink industry.	We presented to Holyrood Secondary School students on the responsibility of businesses to protect the environment. Our Sustainability Manager was profiled by the Food & Drink Federation Scotland as part of their campaign to promote the sector to young people.	Our partnership with Holyrood Secondary School continued. Before the lockdown restrictions we presented to Higher Business Studies pupils on sustainable business practices.
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.



POSITIVE CUSTOMER INFLUENCE

2017-2022 GOALS	PROGRESS IN 2019	PROGRESS IN 2020
<p>Engage our customers in opportunities to make their operations more socially and environmentally sustainable.</p>	<p>Our involvement with the Cup Movement in Glasgow has been a key opportunity for promoting environmental sustainability locally, for example by offering fellow members a discount on our range of reusable cups.</p>	<p>We have used our new e-zine to highlight opportunities for customers such as re-introducing reusable cups safely during the pandemic, and how to decide between recycling and composting disposable cups.</p>



For further details, please refer to our
2019-20 Sustainability Report