

SUSTAINABILITY REPORT -2022-



HANNAH'S HIGHLIGHTS

- Launching One Box: One Portion to fight food poverty (p.35)
- Rolling out our game-changing Plastic Pick-Up nationwide (p.28)
- Growing our range of zero-waste Club Zero refillables (p.52)
- Switching to greener fuels across our sites (p.19)



A YEAR OF CHANGE

Last year we published our first-ever Sustainability Report. We celebrated our successes and laid out our ambitious targets for 2022 and beyond.

We're back this year with **our second report**. It takes an honest look at the progress we've made against our targets in 2022. And importantly, sets out where we still have work to do.

2022 threw many challenges our way, with rising inflation and a Cost of Living crisis felt across the UK. But even in the face of these obstacles, we've made some great strides forward. I'm incredibly proud of what we've achieved to ensure our impact on people and planet is as positive as possible.

I'd like to say a big thank you to everyone at Abel & Cole for their hard work. To our farmers and makers for their continued support. And to our shoppers for choosing food done right.

We couldn't do any of this without you.

Warmest wishes.

Managing Director





7,939 fewer tonnes of carbon emitted

MORE ON P.19



MORE ON P.50

77% less plastic in our Fruit & Veg Boxes



103 tonnes of food donated to those in need

MORE ON P.35



MORE ON P.53

139, 164 plastic bags saved by Club Zero refillable pots





MORE ON P.28

20 tonnes of flexible plastic saved from landfill



MORE ON P.55

87 fruits & veggies given new ecoimpact labels

OUR SUSTAINABILITY OUR SUSTAINABILITY JOURNEY



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SETTING OUR MISSION AND MEASURING SUCCESS



WE WANT TO MAKE A DIFFERENCE BY DOING FOOD RIGHT

SETTING OUR MISSION

Since 1988, we've believed in choices that are better for our taste buds. Better for our communities. And better for the planet.

This isn't always easy. And we don't always get things right. But every day, we're ready to go the extra mile to make it happen.

We're excited to **share our 2022 journey** with you here. How we've been growing and innovating. The things we're proud of. And where we know we still have work to do.

All reported on by our passionate Sustainability team. Let's hand over to them and get stuck in.



HUGO LYNCH Sustainability Lead





ED AYTON Sustainability & Ethics Advisor

ANIA GANCARZ Food Guardian



DRIVING CHANGE TOGETHER

In today's world, faced with realities like the climate crisis, plastic pollution and biodiversity loss, making a change can feel like a daunting task.

That's why **we're committed to helping our customers make better shopping decisions** for people and planet. And why we work closely with both our local communities and our network of amazing growers and makers across the UK and beyond.

Because when we stand up together, we can make real change happen.

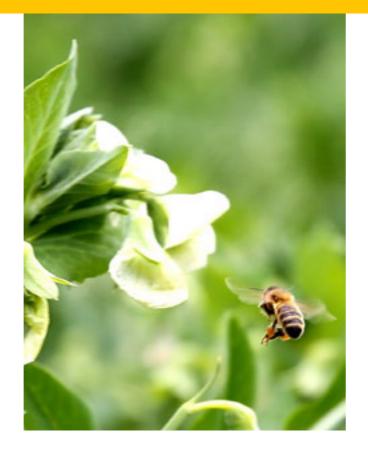
MEASURING SUCCESS

HOW AND WHY WE REPORT **OUR IMPACT**

We've always been a dab hand at communicating our impact, bringing green ideas to life for our community and making some tricky concepts in sustainability more accessible. But until last year, we'd never put them all in one place.

That's why, after a ground-breaking 2021, we published our very first Sustainability Report - detailing our achievements in sustainability, and going public with our targets and ambitions.

In the process, we read a *lot* of other reports. And it struck us, despite how good some looked, how little impact was actually being reported on.



For us, reporting on our impact is meant to be a tool for change. Transparency means telling the good and the bad; sharing our successes for others to emulate, and being honest about where we've fallen short and what we'll do differently.

We're always challenging ourselves to be better, to improve our social and environmental impact. And reporting on it, in a way everyone can access is how we hold ourselves to account.



Certified

WHAT'S A B CORP? 66

Certified B Corporations are businesses that meet the highest standards of verified social and environmental performance, public transparency, and legal accountability to balance profit and purpose. >>



BEING A FORCE FOR GOOD WITH **BCORP**

Certifying as a B Corp for the first time in 2018 (with a score of 88.3) was a big step for our business. It validated our long-standing ethics and efforts to become more sustainable, and also showed us where more work was needed.

Now, we're all about improving. And improving on our B Corp score isn't just a challenge we've set ourselves - it's a requirement to recertify in the first place. So we were incredibly proud to recertify in 2021 with a higher score of 103.5 (a 17.08% improvement). Here's a reminder of exactly how we did...

Our top two scores were in **Governance and Customers**

| Area | % score |
|-------------|---------|
| Governance | 73% |
| Workers | 69% |
| Community | 52% |
| Environment | 48% |
| Customers | 88% |

With our next recertification due in 2024, we're putting in the hard work behind the scenes to become an even better B Corp.



To increase our B Corp score by at least 10% on recertification in 2024

ARE WE ON TRACK? It's early days, and after our sterling effort in 2021, we have a very high bar to pass now. But we're keeping ourselves busy using B Lab's B Impact Assessment to track the improvements we make. It's an ongoing journey - there's always more we can do.

2022 B CORP JOURNEY HIGHLIGHTS

MEASURING IMPACT

We worked with our farmers to complete Life Cycle Assessments for 87 of our fruits & **vegetables** – giving them a new score that reflects their environmental impact (more on p.55).





FIGHTING **FOOD WASTE**

We always try to waste as little as possible. Our brilliant Food Guardian Ania has been going above and beyond to find a home for anything we can't sell (more on p.25).

SUPPORTING OTHERS

In 2022, we volunteered for a total of **158 days** with 21 different organisations in our local community (more on p.40).







REDUCING OUR CARBON EMISSIONS

Since day one, we've challenged ourselves to reduce our emissions.

We've always been proud of our efforts. We specially designed our vans, allotted postcodes a dedicated delivery day, and chose rounds over timed slots - all to help cut carbon.

As we grow, we're committed to going even further. Firstly by measuring our emissions. Then **reducing** them. And finally by **contributing** to projects that balance the remainder while our measures take effect.



MEASURE

You can't manage what you don't measure. To make sure we get it right, we've been working with environmental management consultancy Green Element. With such a respected third party validating our results (and they're a fellow B Corp too), we can be sure that we're **working from an accurate** starting point for our carbon reduction strategy.

OUR 2022 CARBON FOOTPRINT

29,825 tCO2e Indirect emissions that occur anywhere in our value chain, including things like packaging, water, waste, uniforms, commuting and freight.

SCOPE 2 459 tCO₂e

Indirect emissions from the generation of purchased energy – like electricity.

SCOPE1 2,339 tCO2e

Direct emissions from sources that we either own or control, like the fuel our vans use.

SCOPE 3

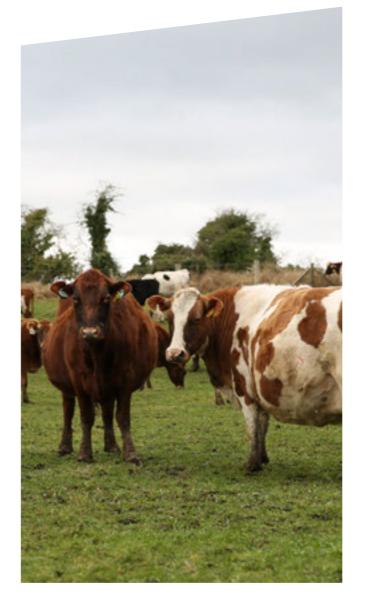




In 2021, we committed to the Science Based Targets initiative (SBTi). We publicly pledged our carbon reduction targets and validated our strategy to **achieve net zero emissions** by 2035.

What's the SBTi?

The Science Based Targets initiative (or SBTi) was set up by the UN Global Compact, World Resources Institute, Carbon Disclosure Project and World Wildlife Fund. The SBTi provide the guidance and accountability to businesses trying to reduce their emissions. They specify how quickly and by how much this needs to happen, to help limit global heating to 1.5°C.





WHAT DID WE DO TO **REDUCE OUR EMISSIONS?**

INTRODUCED NEW TECHNOLOGY to help our drivers plan more efficient delivery rounds



OUR TARGETS

- Reduce our Scope 1 and 2 emissions (in absolute terms) by 50% by 2030, from our 2020 baseline (3065 tonnes CO_2e)
- Reduce the carbon intensity of our Scope 3 emissions by 53% over a period of 10 years, from our 2020 baseline (37,426 tonnes CO₂e)
- Ensure that the absolute carbon figure for our Scope 3 emissions does not exceed our baseline year (37,426 tonnes CO2e)

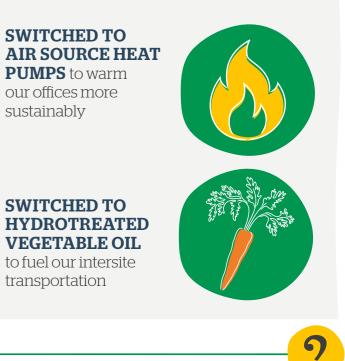
INTRODUCED **INSULATED ROLLER DOORS** to keep our warehouse fridges cold



What's hydrotreated vegetable oil?

A renewable biofuel made by the hydrogenation of vegetable oil. It emits up to 90% less CO₂ than diesel from fossil fuels.









In May 2021, we became the first organic food delivery company in the world to achieve both the Carbon Neutral International Standard and to join the UN's **Climate Neutral Now Initiative.**

We were proud to recertify as a carbon-neutral business again in May 2022.

We've always focused on reducing our emissions wherever we can, as quickly as possible. But some measures take a while to work. So it's important that we look at actions we can take immediately - as well as longer-term solutions.

WHERE ARE WE NOW?

In 2022, we continued to work with the nonprofit organisation One Carbon World - a Global Resource Partner of the UN. Through them, we've funded renewable energy and afforestation projects (like La Pitanga in Uruguay) to balance our Scope 1 and 2 emissions.

As well as our own contribution, we also offered our shoppers the opportunity to donate to La Pitanga. In early 2022, we presented One Carbon World with a donation of £8.000 from our customers. As well as planting and maintaining the forest in La Pitanga, their donations will help build schools and infrastructure for the local communities



To reduce our Scope 1 and 2 emissions, we'll be...



DECARBONISING OUR FLEET

We've put an ambitious Green Fleet Strategy in place. This roadmap lays out our plans to replace our vans with 100% electric vehicles and achieve zero-emission deliveries.

To reduce our Scope 3 emissions, we'll be...





HELPING OUR MAKERS FIND GREEN SOLUTIONS

In 2022, we were able to gather more information than ever (see our work with Mondra, p.55) to help our makers with their reduction strategies, and even to sequester carbon.

GROWING OUR LOW-CARBON COLLECTION

We've expanded our range to include even more delicious products with a low environmental impact. Like our new Club Zero plant drinks in returnable bottles (see more on p.53).





SWITCHING TO GREEN TECHNOLOGY

Generating power on-site is still our long-term goal (through solar panels, for example). In the shorter-term, we'll continue to replace old and inefficient equipment with cleaner alternatives.



HELPING OUR SHOPPERS MAKE GREENER CHOICES

Now that we've rolled out our eco-impact labels across our fruit & veg, we want to bring these helpful labels to even more of our range. Supporting more informed shopping choices.

MANAGING OUR WASTE & RECYCLING

OUR PACKAGING PROMISE

REFUSE. REUSE. RECYCLE.

We've always used the least packaging possible. But in 2022, we made a further commitment to our shoppers with our new **Packaging Promise**. To help them slim their bins and send even less to landfill.

With our 'Refuse. Reuse. Recycle.' strategy, we'll first consider whether packaging is necessary at all. Where quality or safety won't be affected, we'll remove it altogether. Where that isn't an option, we'll use materials that can be easily collected and recycled either by local authorities or ourselves.



WHAT ARE WE DOING TO HELP?



We've listened to the science and moved away from compostable plastics - more on p.51

Veg Boxes - more on p.50

We've grown our range of zero-waste refillables - more on p.52

We've used returnable cardboard boxes since day one - more on p.49



We've rolled out Plastic Pick-Up, our UK-first doorstep recycling scheme - more on p.28

2 REDUCING OUR FOOD WASTE

Food waste is a significant driver of climate **change**. As well as the energy and resources that are required to grow, harvest, transport and store food, there are also the carbon emissions from its disposal to consider. Particularly if it ends up in landfill.

That's why we do everything we can to stop it happening in the first place.

Did you know?

A recent study published in scientific journal Nature reported that around half of the total yearly emissions from the global food system come from food waste.¹

1 Zhu et. al. Cradle-to-grave emissions from food loss and waste represent half of total greenhouse gas emissions from food systems. Nature Food. 2023.

22

There's 77% less plastic in our Fruit &







WHERE ARE WE NOW?

In 2022, we continued to measure our food waste and surplus as accurately as possible. We then submitted these figures to WRAP (The Waste & Resources Action Programme) for verification.

OUR TARGET

Cut our monthly food waste figure to 0.8% of food purchased



OUR PROGRESS

Our food waste WRAP figure for 2022 is 0.99% on average - so we'll keep working on ways to reduce it further. We did actually exceed our target for two months in 2022, which is where we want to be.

Often, the reasons food can't be packed for our customers are out of our control. But there's still plenty we can do to stop it going to waste.

Occasionally, some items will be beyond saving for human consumption. When that's the case, we work with our farming friend and Soil Association CEO Helen Browning. Helen's pigs make short work of anything we can't find a good home for.



66 We work closely with charities like Dons Local Action Group and ANIA The Felix Project to ensure any excess food we can't sell finds Food Guardian a good home. Every day, I start by checking stock and food quality with our quality control team, making sure I find a place to send any product that can't be sold before it is unable to be consumed. If I see any signs of deterioration, I grab my phone and call our charities or farmers and arrange a collection – often on the same day.

WHAT'S NEXT?

To make sure not a morsel goes to waste, we'll continue striving to beat our target each month by...



Working closely with our growers to help plan crops and forecast orders.

Examining our own storage conditions to keep everything as fresh as possible.





Finding **new organisations** around the UK to make the most of our surpluses, and expanding our work with brilliant charity partners like The Felix Project.

2 WRAP. (2021) Food surplus and waste in the UK - key facts.





Did you know?

There's a difference between food waste and surplus. Food that's redistributed to feed people or animals, or to become an ingredient for another product, is considered food surplus. But if it goes unharvested, to landfill or composting, then it's considered food waste.²





2022 GENERAL STE AND YCLING

We're committed to **responsible waste** management that supports a circular economy. Our packaging policy is to remove packaging wherever we can, and we're introducing more refillable solutions to our range than ever. But a small level of waste is inevitable. So it's vital we deal with it correctly.

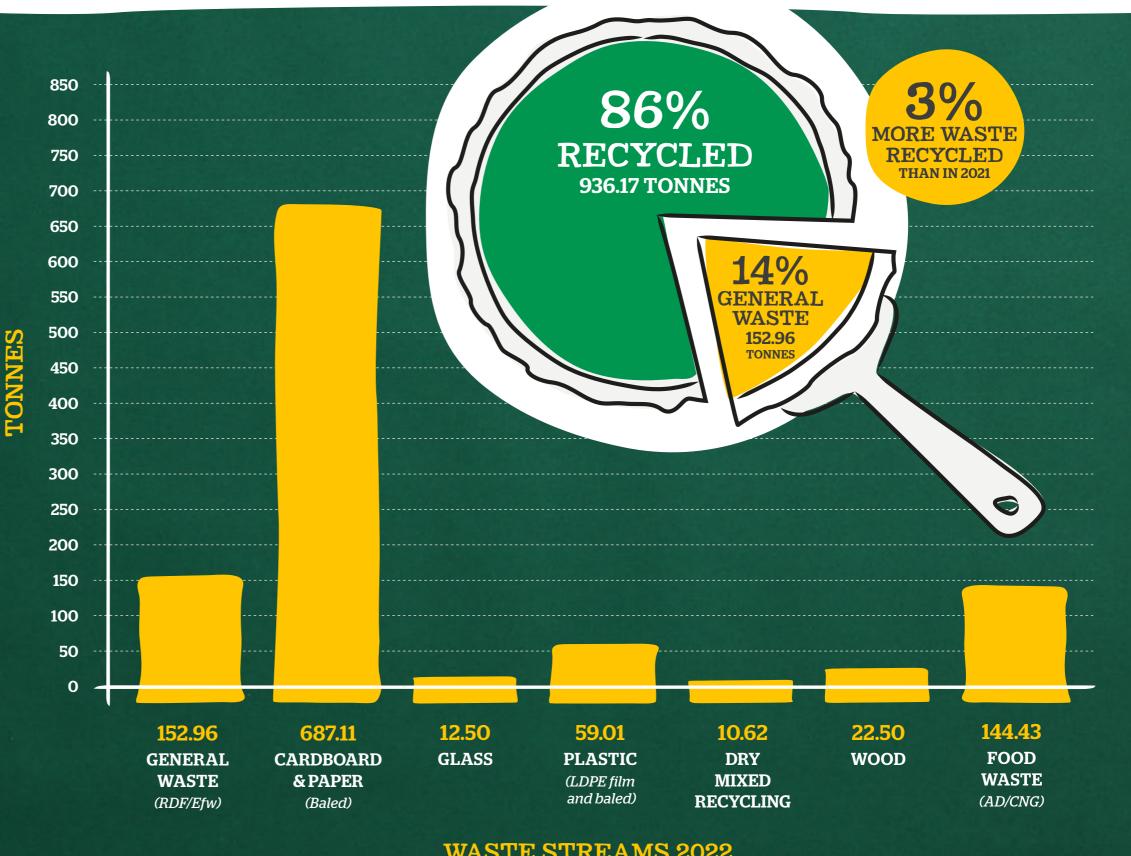
We operate a zero-to-landfill promise, and regularly measure and report on our waste streams. This is good progress, but we want to go even further.

To help us better understand where our waste comes from, we calculated the total amount of waste that we produced in 2022, and measured how much of it was recycled.

6

What's a circular economy?

A circular economy is a model that aims to keep materials in use for as long as possible, to help reduce waste and regenerate natural systems.



WASTE STREAMS 2022



In 2021, we launched an innovative 6-month trial to collect hard-to-recycle flexible plastics from our shoppers' doorsteps. We collected **300kg of packaging** that might otherwise have gone to landfill.

Since then, we've reached our goal of rolling out Plastic Pick-Up to all of our shoppers. We've also widened the collection. To have the most impact, our customers can now send back flexible plastics from any retailer.

WHERE ARE WE NOW?

In 2022, we...

Collected 20 tonnes of flexible plastics from our shoppers

Turned 11 tonnes of collected plastic into groundsheets

Helped 16.082 customers keep their bins free of flexible plastics

It's our responsibility to eliminate as much plastic as possible from our packaging. But, in many cases, flexible plastics are the most effective material for the job. These materials aren't normally collected for recycling because

they're hard to identify. But they can be recycled. So we need to make sure that any plastic packaging we do use isn't sent to landfill.

WHAT'S NEXT?

There's a huge variety of materials found in a typical shop. And our customers are doing a brilliant job of sending the right types of plastic back.

The quality of the materials we can produce from them is consistently improving. So far, our collections have been turned into groundsheets for the building trade. But we want to keep working with our customers to improve the quality of our collections. And with it, the circularity of our packaging.





For our Plastic Pick-Up collections to reach a high enough quality to be turned into new packaging



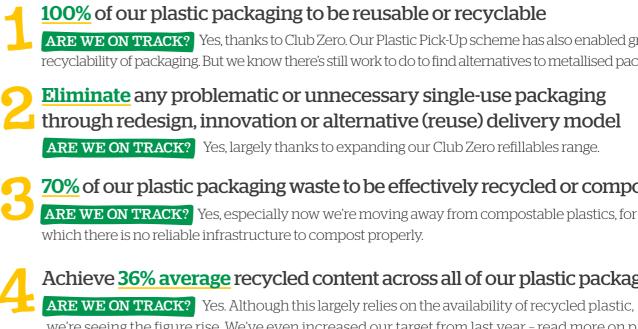
We've committed to the UK Plastics Pact a pledge taken by British manufacturers and retailers to help solve the UK's plastic pollution problem by keeping plastics in circulation and giving them value.

What is metallised plastic packaging?

Plastic film coated with a thin layer of metal. It combines the best properties of both materials to keep perishable food safe from air, light and water. Whilst effective at preventing food waste, packaging like this, where the components are difficult to separate, is currently nearly impossible for most people to recycle.

OUR TARGETS

9





ARE WE ON TRACK? Yes, thanks to Club Zero. Our Plastic Pick-Up scheme has also enabled greater recyclability of packaging. But we know there's still work to do to find alternatives to metallised packaging.

70% of our plastic packaging waste to be effectively recycled or composted

Achieve 36% average recycled content across all of our plastic packaging

we're seeing the figure rise. We've even increased our target from last year - read more on p.49.



PLANET **OUR 2022 HIGHLIGHTS**

MORE ON P.19

We reduced our carbon emissions by 7,939 tonnes

MORE ON P.28

With our customers' help, we saved 20 tonnes of flexible plastic from landfill

3

MORE ON P.22

5 We publicly pledged our Packaging Promise to help slim our shoppers' bins



MORE ON P.28

We rolled out our **Plastic Pick-Up** doorstep recycling scheme nationwide

MORE ON P.20

We recertified as a carbon-neutral **business** for the second year running

MORE ON P.27

We were able to recycle 3% more waste than in 2021







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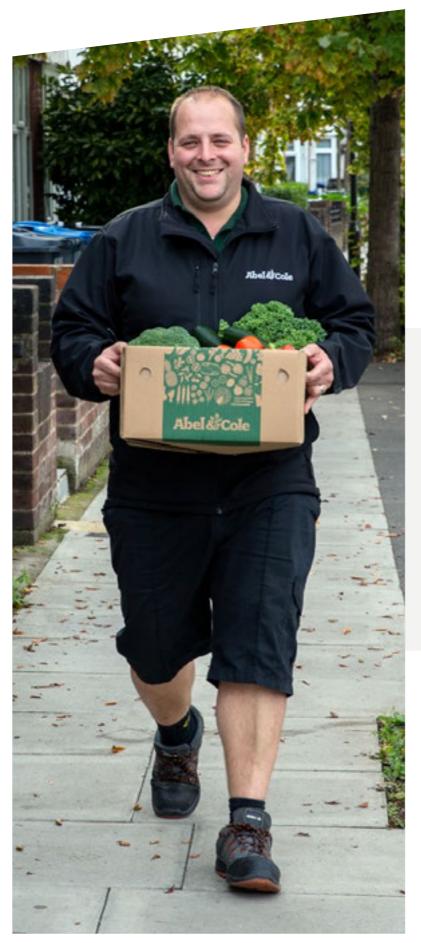




We're committed to driving positive change across our community - for our farmers, makers, customers and colleagues alike.

From supporting causes close to our hearts, to building a more inclusive community within our own four walls, 2022 was full of achievements to be proud of.





FIGHTING FOOD POVERTY

The UK's food poverty rate is one of the highest in Europe. In September 2022, the Food Foundation found food insecurity affected 9.7 million adults in the UK and one in four households with children.¹

INTRODUCING... ONE BOX: ONE PORTION

We know that collective actions have the power to bring about real change. So at the start of 2022 we launched our One Box: One Portion initiative - our commitment to donate a portion of fresh, organic fruit or veg to those in need, for every Fruit & Veg Box we sell.

We set up a live tracker on our website - and after just 6 months we donated over 400,000 portions to our three brilliant food charity partners: Dons Local Action Group, The Felix Project and School Food Matters.

OUR TARGET

To donate 1.43 million portions of fruit and veg in 2022 through One Box: One Portion

HOW DID WE DO? Unfortunately we didn't sell enough Fruit & Veg Boxes to meet our target. So instead, we donated 103 tonnes of food to five charities: The Felix Project, Dons Local Action Group, School Food Matters, City Harvest and Andover Food Bank.

Everyone has the right to fresh, nutritious food. That's why we're passionate about ending food insecurity in the UK. To get there, we're working with some amazing food charities. Through them, we're hoping to help tackle the underlying inequalities in our local communities.





¹ Alarming increase in food insecurity now affecting four million children, The Food Foundation, Press Release, 18th October 2022, https://foodfoundation.org.uk/ press-release/alarming-increase-food-insecurity-now-affecting-four-million-children

MEET OUR PARTNERS



DONS LOCAL ACTION GROUP

A Wimbledon-based, volunteerled charity founded during the COVID-19 pandemic to **help look after the local community**. Our donations support their weekly food box initiative.

THE FELIX PROJECT

Committed to **fighting food poverty, hunger and wastage in London**. Our donations reach those who are in need of support, due to experiencing homelessness or food insecurity.





SCHOOL FOOD MATTERS

Aim to teach children about food and to **improve access to healthy**, **sustainable food at school**. Our donations ensure that secondary school children at Bacon's College have access to nutritious, organic fruit at breakfast time.



DONS LOCAL ACTION GROUP



When incomes drop and family budgets shrink, food choices shift toward cheaper foods. The first items dropped are usually healthier foods such as high-quality proteins, wholegrains, vegetables and fruit. The quality of a person's or family's diet is severely affected by their income level.

"Often, their only option for a full stomach is an unhealthy one. While many may argue that equal access to healthy foods exists, they forget that unhealthy alternatives are more readily available, far cheaper, have a longer shelf life, and are more convenient when your budget is constrained.

"It is vitally important to us, and to the recipients of our weekly food boxes, that we have the ability to provide nutritious, fresh fruit and veg. Extra **donations from Abel & Cole have allowed us to increase each household we support with more weekly fruit and vegetables**. A six-person household for example, receives 16kg a week, enabling families to have a healthier diet at home, whether their children are at school or on holiday.





We're proud to **support many different** charities across the world, who are making a huge difference to people and our planet.



IN 2022... THROUGH OUR OWN INITIATIVES AND FUNDRAISING WITH OUR BRILLIANT CUSTOMERS, WE DONATED through sales of our Gooseberry, Gin £296 & Lime Jam to Friends of the Earth through sales of our organic chillies £1,083 during Pride Month to UK Black Pride through sales of our Seville Orange £2,011 MarmalAID to Hands Up Foundation

£1,083

through sales of our Upcycled Van Panel Aprons to Haygrove Community Gardens







Giving back by volunteering our time has always been important to us. So we make sure that everyone in our team has at least one paid volunteering day a year.

OUR TARGET

Volunteer for 150 days to support our community in 2022

IN 2022... WE VOLUNTEERED FOR **158.6 DAYS** SUPPORTING AMAZING **ORGANISATIONS LIKE...**

CHILDREN'S BOOK PROJECT

We helped the Children's Book Project sort over 91,000 books last year. 18,000 of which came from our customers.

THE FELIX PROJECT

We helped with cooking and packing some of their 29 million donated meals in 2022. These reached families, children, the homeless, the elderly, domestic abuse survivors, refugees, people on low incomes, and those struggling with mental health and addiction.

ANDOVER TREES UNITED

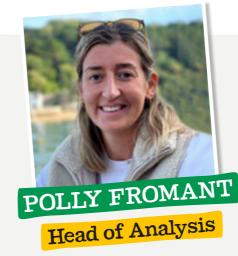
19 of our staff helped at their Harmony Woods site, which celebrated its tenth birthday by **welcoming** 10,000 children to plant 10,000 trees.

MARINE **CONSERVATION SOCIETY**

Our volunteers spent a day collecting a staggering 23.8kg of litter - from just a 100m stretch of Brighton beach.

WALK THE WALK

Some of our team took on the London Moonwalk in May 2022. They managed to raise an incredible £2,426 to help fund the vital research and treatment of breast cancer.



Blueprint

for all

Charitable Trust

OFFICIAL CHARITY

PARTNER

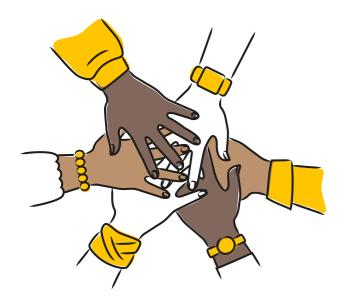
Formerly known as The Stephen Lawrence

C A marathon-long walk around London in the dead of night was both challenging and amazing. The evening kicked off with a 6,000 person warm up on Clapham Common. Think lunging, dancing and singing which propelled us off on our adventure. We saw some incredible London landmarks, lit up in pinks and reds to welcome weary legs. We were greeted with hot chocolates and friendly faces along the way to keep us going, there was an amazing atmosphere. 99

We helped run their brilliant Building Inclusive Futures: Entrepreneurship & Innovation Programme workshops. These impactful programmes enable Diverse Ethnic Heritage and NEET (Not in Education, Employment or Training) young people (aged 16-25) to overcome practical barriers, secure resources and gain the support they need to start their own business.



BLUEPRINT FOR ALL



5 CREATING AN INCLUSIVE **COMMUNITY AT ABEL & COLE**

Creating an inclusive, welcoming and positive community where our people can thrive is essential. We're proud of our progress - but we always want to keep learning and improving how to set each other up for success.

At our Wimbledon Head Office, our fantastic Chef Paul whipped up a number of special menus to celebrate dates important to our team. From Chinese Lunar New Year to Diwali.





| New ideas! | |
|------------|------------|
| | CONTONITNI |

CHAMPIONING INCLUSIV

Throughout 2022, we continued to encourage an open and honest culture, where Abel & Colers feel safe and supported to bring their whole selves to work, such as by sharing our colleagues' experiences of neurodiversity, anxiety, and menopause. This has all been invaluable in building connections and reducing stigmas, but also highlighting where we have support available, and building a broader calendar of events across the year. We all need to keep learning from each other and growing to ensure everyone can thrive at Abel & Cole. But we know our areas of improvement now, and I'm proud of the progress our business continues to make.





INTRODUCING OUR MENOPAUSE POLICY

In 2022, we were proud to **publish an official** policy to support those going through the menopause. We also provided advice sheets and guidance for managers to support their colleagues.





Wellbeing, Experience & Inclusion Manager

66 Menopause affects over half the population and we will all know or work with someone affected by it.

The symptoms of both menopause and perimenopause can have both physical and mental impacts that affect all areas of a person's life. By establishing our Menopause Policy, we showed our ongoing commitment towards

providing an inclusive and supportive working environment. It's our duty as a responsible B Corp business to empower everyone to bring their whole selves to work.

FROM OUR POLICY...

"THERE IS NO 'ONE SIZE FITS ALL' APPROACH. IT IS IMPORTANT THAT COLLEAGUES WHO REQUIRE ADDITIONAL SUPPORT DURING THIS TIME ARE TREATED WITH UNDERSTANDING, DIGNITY AND RESPECT."



OUR 2022 HIGHLIGHTS

MORE ON P.35

We donated 103 tonnes of food to five amazing food charities

MORE ON P.39

We cycled from Swansea to Glasgow to raise climate action awareness

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5

MORE ON P.38

We upcycled our old

van panels to raise funds for Haygrove Community Gardens



MORE ON P.40

We volunteered for 158 days in our local community

MORE ON P.40

We collected 18,000 books from our shoppers for the Children's Book Project

MORE ON P.44

We introduced our first Menopause **Policy** to support our colleagues











CHAMPIONING SUSTA PACKAGIN(

We're always challenging ourselves to make better packaging choices for the future.

Measuring and reporting on our packaging is key to improving how it gets used. By doing this, we can show how well our packaging policy is working and display our progress towards national commitments. It also shows how we're moving towards a more circular economy.



OUR TARGET

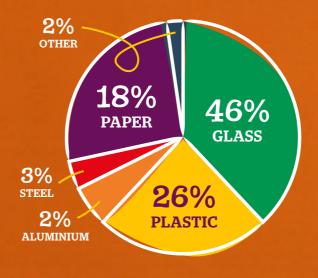
Achieve 30% average recycled content across all of our plastic packaging by 2025

ARE WE ON TRACK?

Yes, but availability and cost pose real challenges. Without more support from the government and better infrastructure, our suppliers could struggle to source recycled materials.

WHERE ARE WE NOW?

Materials used in the packaging of products sold in 2022(%)



Plastic packaging with more than 30% recycled content (excluding fruit & veg)

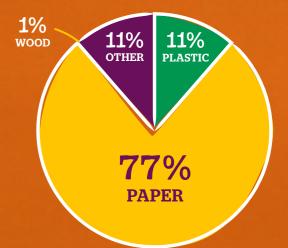
> **62%** 2022

31% 2021

WHAT'S NEXT?

Despite the difficulties, we're determined to keep challenging the status quo. So we're actually increasing our target even further to 36% average recycled content across all of our plastic packaging by 2024.

Materials used in our tertiary packaging (for example: our boxes, ice packs and Woolcool[®] insulation)



Plastic packaging with more than 30% recycled content (including fruit & veg)



31% 2021





CUTTING BACK ON PLASTIC IN OUR FRUIT **& VEG BOXES**

Our Packaging Promise states that if something doesn't need packaging, we won't package it. Our shoppers have always chosen our Fruit & Veg Boxes because they're light on plastic, but we wanted to find out exactly how we fared compared to the major supermarkets.

So in February 2022, we worked with plastic campaign group, Everyday Plastic, to do this. They compared the packaging used in our Medium Fruit & Veg Box (our most popular, weekly, organic Fruit & Veg Box) with the packaging used for the same organic produce from Tesco, Sainsbury's, Ocado and Waitrose. We have real confidence in this study's results, as they came from a respected third party. By combining these findings with those from our independent study in August 2021, we were also able to paint a more accurate picture of how we use packaging differently throughout the seasons.

From our August 2021 study, we found that our Fruit & Veg Boxes contained 84% less plastic than the four other supermarkets. Using that same methodology, our February 2022 study found that we used 70% less plastic. A total of 10 pieces of plastic were used in our boxes, compared to the total of 30 pieces used by our nearest competitor.

We found that there's 77% less plastic

in our organic Fruit & Veg Boxes

Although this represents a 14% increase in plastic packaging between August and February, a similar rise was also found across the other supermarkets because of seasonal changes in the contents. For example, more delicate items like salad tend to require more packaging to keep them fresh and at their best.

Ultimately, the combined results of these two studies showed that we have 77% less plastic on average in our organic Fruit & Veg Boxes (compared to the four supermarkets tested). And we're incredibly proud of that.



EVERYDAY PLASTIC

MOVING AWAY FROM **COMPOSTABLES**

In our 2021 Sustainability Report, we said we'd look further into whether compostable plastics were suitable as packaging for our products. Often believed to be a more sustainable alternative to nondegradable plastic, we supported their use for a long time. We even introduced some compostable packaging of our own.

SO, WHAT'S THE REALITY?

A wide range of compostable plastics are in use throughout the industry, and this complex variety of materials causes issues and confusion when trying to process them all correctly.

The UK also has very few composting facilities that can break these materials down in a way that's good for the environment.

Without responsible disposal, **compostable** plastics can even contaminate plastic which could otherwise be recycled, causing additional waste to be sent to landfill.

An increasing number of studies, like UCL's Big Compost Experiment, show the majority

OUR TARGET

We'll be working with our makers to remove all compostable packaging from our products by the end of 2023

1 Purkiss D, Allison AL, Lorencatto F, Michie S and Miodownik M. (2022) The Big Compost Experiment: Using citizen science to assess the impact and effectiveness of biodegradable and compostable plastics in UK home composting. Front. Sustain. 3.942724 | 2 López-Ibáñez S., Beiras R. (2022) Is a compostable plastic biodegradable in the sea? A rapid standard protocol to test mineralization in marine conditions. Sci. Total Environ. 831:154860



of plastics labelled home compostable don't break down as claimed in real-life conditions.¹ Conditions which are often far too diverse to be thoroughly tested in laboratories.

A growing body of evidence, such as that conducted by the University of Vigo, continues to show that compostable materials do not break down as claimed in real-life marine conditions either.²

So until the science convinces us that compostable plastics are breaking down as they should and the infrastructure is in place to process them, we will not be using them.

Refill. Return. Repeat PIONEERING REFILLABLES

SCRAPPING SINGLE-USE PACKAGING WITH CLUB ZERO

WHAT IS CLUB ZERO?

Club Zero is an incredibly planet-friendly way to shop. It helps our customers **say goodbye** to single-use plastic packaging by switching to zero-waste refills.

Launched in 2021, with the help of packaging consultancy **Unpackaged**, we wanted to combine the sustainability of refills with the convenience of our doorstep deliveries. By refilling and reusing Club Zero's pots, pouches and glass bottles, we're able to cut the cost to the planet for more of our customers' shopping choices.

IN 2022, WE...

Added 48 new lines to our Club Zero range Replaced 139, 164 plastic bags with Club Zero refillable pots Introduced our first collection of fridge refills, with ReRooted plant drinks

INNOVATING REUSABLE MILK PACKAGING

We've often been asked why our milk isn't in glass bottles. So we've spent the last few years investigating what the most sustainable packaging choice for our milk would actually be.

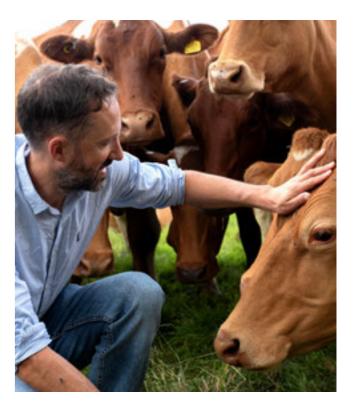
After establishing that using glass increased our carbon emissions too much, we trialed Ecolean. This lightweight flexible pouch proved to be unsuitable for us for various reasons, like splitting in testing and there being no good options for responsible disposal.

So in 2022, we worked closely with our friend Ed Gosling from Berkeley Farm Dairy on an entirely new, exciting solution. Keep your eyes peeled for more on this soon.

OUR TARGET

To have an innovative, reusable milk packaging solution ready for our shoppers by the end of 2022

DID WE MEET OUR TARGET? Not quite! We came up against some interesting challenges with labelling and food standards in 2022, but we're not going to let that stop us. We're working hard to overcome these challenges, so that we can roll out this amazing offering to our shoppers as soon as possible.







ENSURING TRANSPARENCY & TRACEABILITY

CHAMPIONING FUTURE FOOD

Our experts know what sustainability in the food industry looks like. And sometimes, that goes beyond organic. So, last year we asked ourselves: **"What if there were products out there that sit outside organic certification, but still offer an incredibly sustainable solution?"**.

If we can be assured that these products represent **holistic thinking** and a **regenerative approach**, have **full traceability** and **solve a problem**, then we believe they're worth introducing to our customers.

Throughout 2022, we searched high and low for the best new stories and cuttingedge initiatives that met our incredibly high sustainability standards. And we found some amazing brands to **launch our new, innovative Future Food collection** with. It's a real celebration of those pioneers who are pushing the boundaries and growing food as sustainably as can be. SUSTAINABILITY PARTNER

Brewgood

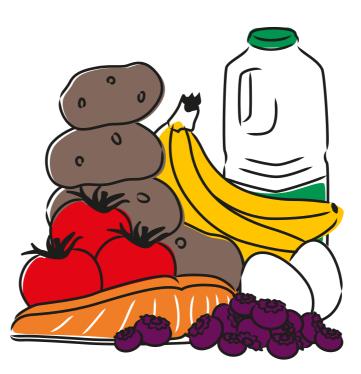
THREE FUTURE FOOD MAKERS WE'RE EXCITED ABOUT...

BRITISH HEMP COMPANY

This brilliant co-operative is returning a **nutritious and carbon-hungry crop**, hemp, to UK farms.

MEASURING OUR SUPPLY CHAIN IMPACT

In 2021, we began working with the sustainability experts at <u>Mondra</u> to complete Life Cycle Assessments (LCAs) for seven of our most popular items. We measured each item against four key criteria: carbon emissions, water usage, water pollution and biodiversity. This revealed that a typical basket from us



WILDFARMED

Their fantastic team bake delicious bread with **grain grown on regenerative farms** that restore soil health.

GROCYCLE

Our food-waste-fighting friends **recycle used coffee grounds** into growing kits, for fresh oyster mushrooms at home.

emits on average **16% less CO2e** than its nonorganic counterpart from supermarkets.

In 2022, we went much further. We undertook a similar exercise with **87 of our fruits & vegetables**. By initially mapping the full supply chain of each item, Mondra were able to calculate the environmental impact at every stage from farm to shelf (gathering quality data directly from our growers wherever possible), to give each item a final score of between A+ and G.

What is a Life Cycle Assessment?

A Life Cycle Assessment (or LCA) is a measurement of a product's environmental impact across its lifetime. LCAs focus on measurable impacts, like water usage or carbon emissions, at several points between manufacturing a product to its final disposal.

WHAT'S NEXT?

We want to **continue making Life Cycle Assessments for even more of our items**. They prove that our boxes remain a sustainable shopping choice and help guide our progress towards reaching net zero.



LEADING THE CHARGE WITH ECO-IMPACT LABELLING

THE CHALLENGE

When we last counted, there were a huge 456 eco labels in use around the world. Perhaps unsurprisingly, the vast majority of shoppers struggle to recognise or interpret these.

THE SOLUTION

Foundation Earth, an independent nonprofit organisation created by scientists and leading industry figures, was founded to help tackle this problem. Their goal is to unite the food industry behind a single eco labelling system. By working with LCA experts like Mondra to gather data and map supply chains, Foundation Earth have already successfully piloted their traffic light-style system of labels.



OUR TARGET

To introduce <u>eco-impact labelling</u> to more of our fruit & veg by the end of 2022

DID WE MEET OUR TARGET?

Yes – only slightly belatedly! We were proud to introduce eco-impact labels to 87 of our fruits & vegetables at the start of 2023.





WHERE ARE WE NOW?

In 2022, we committed to using Foundation Earth's eco-impact labels on more of our products than any other organisation.



WHAT'S NEXT?

We want to know how effective eco labelling is at encouraging our shoppers to eat more sustainably. So, **we'll be measuring how our customers respond to these labels**. There are also conversations at policy level about making eco labelling mandatory. We want to be more involved in these discussions, to **ensure our farmers' efforts are properly represented** by anything that's implemented.

SUPPORTING THE PEOPLE BEHIND OUR PRODUCTS

Measuring the impact of our supply chains helps us **maintain transparency and trust with our customers**. We want to take everyone with us on our sustainability journey, so we support all of our suppliers by assessing their social and environmental impact. This isn't about creating another audit system for our makers though. Instead, we want to help **prompt meaningful conversations** and **build a community** of businesses that are making a positive impact.

THE RESPONSIBLE SUPPLIER PROGRAMME

The Responsible Supplier Programme is our very own voluntary audit, created in collaboration with the sustainability experts at <u>Greenheart Consulting</u>. The audit is undertaken by our makers to assess their environmental, social and governance (ESG) practices across four key areas: Workers, Environment, Community and Governance.

At our 2022 Supplier Day, we were proud to celebrate four of our amazing suppliers from the programme, and acknowledge their incredible commitments to people and our planet.

OUR TARGET

<u>At least 50%</u> of our makers to have completed an ESG assessment by the end of 2022 DID WE MEET OUR TARGET?

Yes! We finished 2022 with **54% of our suppliers signed up** to either Sedex (or equivalents), B Corp, or our Responsible Supplier Programme.

OUR 2022 WINNERS WERE...



WORKERS

Treating workers with fairness and respect <u>G's Fresh Mushrooms Limited</u>



ENVIRONMENT

Taking responsibility for environmental impact <u>Berkeley Farm Dairy</u>

WHAT'S NEXT?

We're aware that our business is likely to face an increasing risk of **social issues**, **labour issues** and instances of **modern slavery** in the future. These could stem from political circumstances in the UK, current global challenges, or the diversity of products and suppliers we work with.

To focus our efforts on these pressing issues, we're updating our target to be more specific. We want this new commitment to help start a conversation with every one of our makers, so we can all work together on eliminating labour issues from our supply chains.



Benefiting the local community
<u>Haygrove</u>



Running a business with integrity and transparency Sole of Discretion



NEW TARGET

For 70% of our active suppliers in 2023 to have completed a Sedex (or equivalent) risk assessment



PRODUCT **OUR 2022 HIGHLIGHTS**

MORE ON P.49

We increased the recycled content in our plastic packaging, compared to 2021

MORE ON P.51

We listened to the science and started to remove problematic compostable plastic packaging from our range

3

MORE ON P.54

We launched our new Future Food collection, championing exciting, sustainable food innovations

MORE ON P.50

We found that there's 77% less plastic in our Fruit & Veg Boxes, compared to four major supermarkets

MORE ON P.55

We introduced ecoimpact labels to 87 of our fruits & vegetables

MORE ON P.58

We beat our target of supporting 50% of our makers to complete an ESG assessment









WHAT'S NEXT? WE'RE EXCITED ABOUT...



MORE ON P.53

Developing a reusable milk packaging solution for our shoppers



MORE ON P.40

MORE ON P.51

8

Removing all compostable packaging from our products by the end of 2023



MORE ON P.24

Cutting our monthly food waste figure to **0.8%** of food purchased

MORE ON P.18

Reducing our Scope1 and 2 carbon emissions by 50% by 2030

Volunteering for another 150 days in our local community in 2023

MORE ON P.21

Putting our Green Fleet strategy in place and beginning to bring in 100% electric vehicles





Ensuring that our plastic packaging contains 36% average recycled content by 2024



OUR PARTNERS

Our achievements are only possible thanks to the support of our amazing partners and collaborators. We want to give a shout-out to a few of them here.



Green Element are an environmental management consultancy with over Element 20 years of experience concerning environmental

issues. Their team have helped over 120 organisations all over the world to become more sustainable, through the hard work and passion of everyone involved.



One Carbon World are a not-for-profit organisation and global resource partner of the Climate Neutral Now Initiative, launched by the United Nations Framework

Convention on Climate Change (UNFCCC). They are recognised for offering advice and support on measuring greenhouse gas emissions around the world, operating in 24 countries and securing commitments to reduce and compensate 20 million tonnes of CO₂e from the atmosphere.

mondra

Mondra provide credible information about the environmental impact of a product, influencing customer shopping decisions to build a more sustainable food system. Using the latest scientific research and full Life Cycle Assessments, environmental impacts through the supply chain are captured and a score calculated for performance on four indicators: greenhouse gas emissions, water usage, eutrophication and biodiversity.

GREENHEART

Greenheart Business are a full-service social and environmental impact consultancy whose purpose is to enable businesses to lead the transition to a fair, regenerative and inclusive community. They are a small and close-knit ecosystem of passionate and experienced impact professionals who share a common vision: a world in which every business thrives by caring for people and planet as much as profit.



Foundation Earth are an independent, nonprofit organisation issuing front-of-pack environmental scores on food products, helping businesses build a more resilient and environmentally sustainable food system while giving consumers the tools they need to make sustainable buying choices. They bring together scientists and leading figures from food production and retailing who all share a vision of a food industry that doesn't destroy the planet.

REFERENCES

National **Food Strategy**

The National Food Strategy is an independent review of England's food system, from field to fork, including production, marketing, processing and sale. The report makes 14 recommendations for government to implement as a strategy to improve the nation's health, reduce inequality and help mitigate biodiversity loss and climate change. Part 1 was published in 2020, focusing on the disruption caused by the COVID-19 pandemic, and Part 2 in 2021, listing the following recommendations.

Recommendation 1: Introduce a Sugar and Salt Reformulation Tax. Use some of the revenue to help get fresh fruit and vegetables to low-income families.

Recommendation 2: Introduce mandatory reporting for large food companies.

Recommendation 3: Launch a new 'Eat and Learn' initiative for schools.

Recommendation 4: Extend eligibility for free school meals.

Recommendation 5: Fund the Holiday Activities and Food programme for the next three years.

Recommendation 6: Expand the Healthy Start scheme.

Recommendation 7: Trial a 'Community' Eatwell' programme, supporting those on low incomes to improve their diets.

Recommendation 8: Guarantee the budget for agricultural payments until at least 2029, to help farmers transition to more sustainable land use.

Recommendation 9: Create a Rural Land Use Framework based on the three compartment model.

Recommendation 10: Define minimum standards for trade and a mechanism for protecting them.

Recommendation 11: Invest £1 billion in innovation to create a better food system.

Recommendation 12: Create a National Food System Data programme.

Recommendation 13: Strengthen government procurement rules to ensure that taxpayer money is spent on healthy and sustainable food.

Recommendation 14: Set clear targets and bring in legislation for long-term change.

nationalfoodstrategy.org

United Nations

UN Sustainable Development Goals No poverty. Zero hunger. Good health and well-being. Quality education. Gender equality. Clean water and sanitation. Affordable and clean energy. Decent work and economic growth. Industry, innovation and infrastructure. Reduced inequalities. Sustainable cities and communities. Responsible consumption and production. Climate action. Life below water. Life on land. Peace, justice and strong institutions. Partnership for the goals.

sdgs.un.org/goals





Officially certified by the UK's leading organic accreditation body, The Soil Association. Abel & Cole is a certified B Corp, dedicated to making business a force for good. Certified as a carbon neutral business by One Carbon World. Rated 4.5 by our customers on Trustpilot. Our zero air miles policy means we never air freight a thing.

