

SUSTAINABILITY REPORT



2022

SUSTAINABILITY AT BENUGO

Sustainable trading lies at the heart of Benugo, and we are constantly challenging ourselves to improve and develop what we do. We acknowledge the climate emergency and are continually making positive changes, guided by the UN sustainable development goals. Here we've outlined some of the current initiatives we have underway to make progress in key areas.

We have outlined here some of the practices we currently follow and some of the initiatives we are currently working on, broadly organised as follows. Sustainability means different things to different people, with multiple competing priorities – carbon, water usage, plastic usage, food miles, seasonality are all part of the equation, and choices which bring benefit through one lens often come with major issues in others, and choices are interlinked with multiple dependencies. Whilst not exhaustive, we have structured this paper under the following broad headings for ease of reference.

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CARBON MANAGEMENT & REDUCTION

Benugo is committed to reducing the carbon impact of all our activities, as measured across Scope 1, 2 and 3. Scope 1 and 2 emissions are managed at group level and offset by WSH, we've focused here on our activity to reduce Scope 3 emissions.

The biggest contributor to the carbon footprint in our industry is the food we produce and sell. Making the right choices in provenance, product and supplier choice, and reducing food waste is the quickest way to make positive progress in reducing our footprint.

In 2007 we gained ISO 14001 certification for our environmental management system to help us deliver impact reduction. Alongside our EMS we committed to Carbon Neutral Protocol approved, Gold Standard offsets through the Carbon Neutral Company. We maintained this certification for 10 years until 2018 when we committed to 100% renewable sourcing for our directly procured electricity by the end of 2020, which we actually achieved a year early at the end of 2019. Alongside this we have maintained Gold Standard offsets for fleet and business travel, which currently accounts for 95% of our total energy expenditure in this area.

Our biggest challenge, as for most businesses, lies in understanding our Scope 3 emissions, specifically upstream supply chain. We are currently working with external providers to assist us in a technological solution to ongoing measurement. Our drive to net zero will include a minimum of 66% Scope 3 emissions and a reduction year on year of at least 4.2% as required by SBTi. Benugo is a founding member of the Hospitality Zero Carbon Forum, establishing across the sector an approach and best practice for calculating emissions and developing a route to net zero. Benugo has recently signed a pledge with WSH to join the UN Race to Zero, committing to setting a science based net zero target and contributing to limiting the impact of climate change to 1.5c.

From 2022 it is our intention to ensure that our offset portfolios are nature-based in terms of carbon sequestration rather than avoidance.

In 2015 as part of the wider WSH family, we gained ISO 50001 accreditation for our energy management system as a key part of our compliance strategy for ESOS. This process enabled us to further develop our understanding of our total energy consumption including procured electricity (Scope 2), gas (Scope 1) and vehicle fuel (white fleet Scope 1, and grey fleet Scope 3).

CLIMATE NEUTRAL COFFEE PROJECT

Coffee and hot drinks are by some distance the biggest selling category of products at Benugo, and is our largest single purchase product. In 2019 we used 213,000 kgs of our Benugo coffee bean.

CARBON COST WILL THEN BE FULLY OFFSET INTO GOLD STANDARD CERTIFIED NATURE BASED SEQUESTRATION PROJECTS, MEANING THAT EVERY HOT DRINK SOLD IN BENUGO WILL BE CLIMATE (CARBON) NEUTRAL.



We have partnered with a third-party consultancy, Climate Partner, to carry out an exhaustive life cycle analysis of our entire category of hot drinks, centred around our coffee beans but also including all associated products such as milks and packaging. Each product will have an accurate carbon cost which can be communicated to customers to allow them to make informed choices and reduce the carbon impact of their purchase – changing from dairy to oat milk for example. This carbon cost will then be fully offset into Gold Standard certified nature based sequestration projects, meaning that every hot drink sold in Benugo will be Climate (Carbon) neutral. The Carbon cost of every hot drink will be communicated to customers at the point of purchase to help them make informed choices, and a QR code will link to details of the certification and the offset projects we invest into.

We have extended this project to encompass our range of retail coffee which we expect to launch by Autumn 2021. This includes both ground and whole bean options, packaged in film which is compostable in domestic waste streams. This product will also be certified fully Climate Neutral.



**CARBON NEUTRAL
COFFEE COMES IN
A BLACK CUP**

EVERY BENUGO COFFEE IS CARBON NEUTRAL AND RAINFOREST ALLIANCE CERTIFIED

We have worked with ClimatePartner to calculate the footprint of our most impactful hot drinks based on a cradle to grave lifecycle, so you can discover whether your go to drink costs the Earth.

IT IS EASY TO MAKE A POSITIVE IMPACT BY SWITCHING YOUR DAIRY MILK FOR A MILK ALTERNATIVE.

Scan the QR code to find out how we have offset the emissions from our coffee through verified carbon avoidance, reduction and removal projects.




SUPPLY CHAIN

Like much of our industry, Benugo buys direct from a number of suppliers; we often refer to this as Tier 1 suppliers. Their ways of working and respective policies are constantly reviewed and their environmental policies are addressed to maintain continuous improvement every quarter.

Separate to that, Benugo selects specific products, or manufacturers; we refer to these as Tier 2 suppliers. Whether that's our coffee beans or baguettes; we decide what product we want as part of our range, we do not spend direct money with these suppliers.

Because they are so closely defined with our brand, we continuously seek to improve our product and their emissions. This led to a successful exclusion for example of palm oil in our bakery range and exclusion from all Benugo authorised third party manufacturing.

Lastly there is that collection of ingredients we can't do without (Tier 3), yet don't have a direct relationship with. We often rely on Tier 1 suppliers to assist with ranging and we have little influence on how these products are manufactured. We leverage our position with international manufacturers to keep this topic continuously on the radar and are a standard agenda topic in our quarterly reviews. In this area we select the best-in-class product, and consider environmental impact equally to commercial impact.

- 79.4% of Benugo's purchasing sits within Tier 1 & Tier 2 suppliers, therefore our choices really matter in our impact on the environment.
- We buy direct from many suppliers and we review their environmental policies quarterly to ensure continuous improvement.
- We're in the process of an extensive Sedex rollout; Sedex validates the exclusion of modern slavery in supply chains. This originally stemmed from the clothing industry and recently made forays into food, where WSH is at the vanguard.
- There are no airmiles in our supply chain, we do not work with any products that have been flown into the country.
- We dedicate 25% of our direct supplier expenditure to SMEs & Certified B-Corporations and seek to increase this to 40% by 2025. Examples include: Jude's Ice Cream, Dalston's Soda, Ella's Kitchen, Alpro, Propercorn, Rubies in the Rubble, Rebel Kitchen.

WE DEDICATE 25% OF OUR DIRECT SUPPLIER EXPENDITURE TO SMES & CERTIFIED B-CORPORATIONS



Jude's



Ella's
kitchen

alpro

PROPER

RUBIES IN THE RUBBLE



OUR FOOD AND DRINK

- We are gradually increasing the amount of plant-based food we offer across our business, with an ever increasing quantity of our food being plant based (we will update statistics on this in August once sales stabilise post-Covid reopening).
- All alternative milks are served free of charge across all Benugo branded operations.
- Our fresh meat and cooked chicken is UK Red Tractor approved. We have an extensive Meat Policy covering all other meats; which is almost exclusively UK Red Tractor on all fresh meat. We spot check and validate suppliers for adherence to this using DNA testing. As a result of this testing we have so far had to exclude four Tier 1 and once Tier 2 suppliers from our supply chain since 2019.
- Our Fruit & Veg sourcing policy focusses on UK when in season and available and sees air freight as a last resort only. Potatoes are British year round, strawberries British when in season but avocados are only ever ship freighted. Although we have access to, we orient our dishes on road freight and ship freight ingredients only. With an increased focus of produce as part of plant-based menus we always look for innovative and sustainable solutions such as our collaboration with Cooking Sections.
- We only ever use MSC (Marine Stewardship Council) approved fish. We focus on UK landed stock and only make exceptions upon client requests. We prefer to work with line-caught fish or hand-dived molluscs.
- Our fresh eggs are only ever from the UK and free-range. All Benugo manufactured products, from our cakes to our sandwich fillings are made with UK free-range eggs.
- We use UK liquid dairy only and a large proportion of our milk is organic. Irrespective of the label the dairies we work with all ensure cattle producing our milk spend a large proportion of their time outdoors.

COFFEE SOURCING

- Our coffee is currently carbon offset to the point of delivery into our Kent-based distributor.
- Our coffee is 100% Rainforest Alliance Certified. We have chosen this certification as in addition to trading fairly with local farmers it also takes the planet into consideration. <https://www.rainforest-alliance.org/faqs/difference-between-rainforest-alliance-certified-fair-trade>
- We hold categories such as coffee to BRC standards which also includes validation of exclusion on modern slavery.
- During the 'Food: Bigger Than the Plate' exhibition in 2019 the V&A hosted an exhibition on the Future of Food, where we shared our whole coffee story through Blockchain technology. This meant a QR code at every till point and the video in link below in the exhibition. <https://vimeo.com/327832637> (PW: V&A)
This was linked to the following QR code: <https://www.provenance.org/journeys/uqct4qep#uqct4qep-4>
Note: we do not own this video so cannot publish publicly currently.



PLASTIC

Against popular opinion we believe plastic to be a useful material to contain, preserve and protect in our industry. It is our collective change in relationship with and massive overuse of this material which has tipped this into a problem. Our focus is on reducing singleuse plastic where possible across our supply chain, although we are very aware of the challenges removing plastic can cause in other areas of sustainability.

For example, food protected lasts longer – an unwrapped cucumber lasts three days, a wrapped one ten. Plastic milk bottles are made with high content recycled plastic in a lightweight material – glass milk bottles are heavier and, in the UK, presently only 40% get recycled. The heavier material means we need to transport heavier load to achieve same number of litres.

**17 TONNES OF
CARDBOARD ANNUALLY
BEING ELIMINATED FROM
OUR SUPPLY CHAIN**



Notwithstanding we appreciate our commitment to improvement so some areas we have focused on are:

- We only use paper straws rather than plastic
- Our wooden disposable cutlery is FSC approved rather than plastic
- All products on sale containing plastic have at least 40% recycled material
- We are continually working to remove unnecessary packaging out of the equation – we have been working to remove packaging from back of house areas with reusable crates now being used. This has led to 17 tonnes of cardboard annually being eliminated from our supply chain.

FOOD TO GO

One of the major drivers of single use plastic in our supply chain is for food on the go products, largely wrapped sandwiches and boxed salads. The industry has been slow to create viable alternatives to plastic in these areas, and Benugo is at the forefront of change in this area. We have changed our boxed salads from plastic into a mixed material container, with a 100% recycled plastic lid and a biodegradable bagasse base.

We have substituted plastic with wood pulp-made cellulose in many of our packaging items rolling this out across all our prepacked products as the materials become available. This product is recyclable with card but degrades in any waste stream.

In a number of locations which have closed loop recycling we have changed all oil-based plastic carriers into corn starch PLA. This is an excellent alternative where the correct waste streams are available to industrially compost, but does not work if waste streams are open or if guests recycle away from the location. PLA looks and feels like plastic, but if it enters a plastic waste stream it can contaminate the flake and lead to plastic which would be recycled being unfit for processing and ending up in landfill or burnt for energy recovery.

REUSABLES

Benugo was one of the first High Street brands to introduce reusable cups in the early noughties, and we have offered KeepCups for sale for many years to help people move away from disposable cups. In addition, we offer reusable mugs to customers wherever operationally possible.

Since early 2019 there is a discount in all Benugo locations for those bringing their own reusable coffee cup with them.

In 2019 we also started working with OSK (a young entrepreneur based in Kent who introduced a line of reusable cutlery, straw and bottle options), offering Benugo branded cutlery pouches for sale, and we are currently rolling this out across all locations.

In some client operations we've switched to 100% reusable options only as these closed environments allow optimisation for such schemes.

£2.95

**ENDLESSLY REFILLABLE
INFINITELY RECYCLABLE**

100% ALUMINIUM WATER BOTTLE

Refilling it just 10 times avoids 170g of plastic waste and 790g of CO₂ emissions.

8oz £12
12oz £15

BENUGO KEEP CUP

FREE COFFEE UPON PURCHASE

Please bring your reusable cup for a 50p discount

OSK

OCEAN-FRIENDLY BAMBOO CUTLERY

Portable and plastic-free

Includes: knife, fork, spoon, chopsticks, stainless steel straw, cleaning brush and linen travel pouch

£0.75

WATER BOTTLES

Water bottles are one of the primary contributors to single use plastic in the Benugo estate, and we have taken significant steps to reduce this and mitigate the impact.

Our Life Water plastic bottles are made from 100% recycled plastic; the sale of every bottle also helps fund clean water projects across the globe through their charity, Drop 4 Drop. To date, we have helped over 43,000 people gain access to clean water through 48 different projects.

Whilst they are 100% recycled, they remain single use plastic items. To reduce usage of these, we have launched a reusable aluminium spring water bottle which can be endlessly refilled. This is made from 100% recycled aluminium and is produced in the UK, reducing carbon emissions from production by 95% compared to virgin aluminium. Reusing just 10 times avoids 170g of plastic waste and 790g of carbon emissions.

TO DATE, WE HAVE HELPED OVER 43,000 PEOPLE GAIN ACCESS TO CLEAN WATER THROUGH 48 DIFFERENT PROJECTS



WASTE

Waste is a major issue for Benugo and is particularly complex due to much of our business being located within client sites where we are reliant on others to manage our waste streams.

- Where we govern our own waste streams, we offer segregated wastage through our nominated waste provider.
- Where Benugo is responsible for waste streams we make waste segregation available to our customers and continue to educate our guests on how best to deal with waste.
- We also segregate food waste to be collected for anaerobic digestion. Where we are not responsible for waste streams we make available resource and information for our clients to adopt a similar scheme.
- Wherever possible, our waste coffee grounds are collected and used to manufacture energy pellets.
- We are willing to work with clients in closed loop environments to recycle disposable coffee cups through the Simply Cup network, which then produce reusable cups for the circular economy.
- We keep paper napkins behind the counter to minimise use and waste.

THE MAGAZINE / CLIMAVORE

Being truly sustainable in hospitality is challenging, largely due to the industrialised and complex nature of the UK's food systems. The initiatives outlined in this document work within this framework, and are focused on reducing the impact we have on the environment. However, we have recently begun to experiment in how we can make more material changes and improve the impact we have, moving from a reductive approach to a regenerative footing.

We opened The Magazine restaurant in Hyde Park at the Serpentine Galleries in June, collaborating with the Gallery and Cooking Sections to create the most sustainable operation we can, with a zero waste perspective and consideration of impact throughout the operation, from organic cotton uniforms to recycled plates and service wear.

Cooking Sections initiated the CLIMAVORE project in 2015, asking what food we should eat today in response to the new seasons created by climate change. This has helped inform our menu choices – removing farmed salmon and replacing with regenerative aquaculture such as bivalves and filter feeders (which have exceptional water cleaning capabilities) alongside inter-tidal seagreens and seaweeds.

These are carbon fixing, produce large amounts of oxygen, are highly nutritious and require no irrigation or pesticides to produce.



THE 
MAGAZINE

CLIMAVORE

APPENDIX

Together with WSH we supported the 'Bigger than the Plate' exhibition at the V&A in 2019 – an exhibition focussed on the future of food. Parts of the installation where the challenge of modern food supply chain and how to turn this into a globally sustainable way. Water in edible capsules was sold, cricket cookies were baked, blockchain technology tested; learnings of this exhibition and its participants continues to be explored on a commercial level

We collaborated with the V&A Museum of Childhood (previous to its refurbishment) to implement a full vegetarian menu, with a particular focus towards kids. At its heart the concept was that if we educate and change the palate of the future generation we inherently set in motion a meaningful change in our relationship with food.

Savill Garden is part of the Crown Estate and Benugo incorporate venison reared on the estate. The rangers manage the livestock levels to continue to sustain the landscape and its surroundings – surplus livestock is incorporated in Benugo's menus to support the circular life cycle of the Crown Estate.

BENUGO