JIONION

BREWLAB

IMPACT REPORT 2021-22



OUR MISSION

Our mission, as part of the Union family, is to the spread the joy of speciality coffee.

We serve as the last link of the story serving meticulously brewed coffee directly to consumers from our café space. We look to share our knowledge with our customers, whether by helping them to choose the right coffee beans and equipment to take home in our retail store, or by guiding them through the brewing process in our Training Lab classes.

We recognise that all our actions have an effect on both the natural world and the community we inhabit. We strive to create a positive impact; embedding environmentally conscious practices into everything we do to become a reference sustainability led coffee space, and actively engaging with our local community.

Union Brew Lab

OUR IMPACT

Union Brew Lab acknowledges that its operations can potentially harm the environment and the local community in Edinburgh. To promote transparency and accountability, we have committed to reporting on key metrics that reflect our impact in these areas.

Our primary focus is on three key areas: Environment, Workers, and Community. By monitoring our performance in these areas, we aim to mitigate negative impacts and promote positive change.

We are committed to reducing our negative impact on the environment and the community, while also improving the wellbeing and safety of our workers. Our progress towards these goals will be reflected in the key performance indicators that we report on in the upcoming year.

ENVIRONMENT: WASTE

We prioritise the waste hierarchy by striving to minimise waste generation, such as through our "Fresh Coffee" scheme and maximise reusability of items wherever possible.

If disposal is necessary, we prioritise recycling over other options and utilize energy recovery facilities as an alternative to sending waste to landfill.

In the 2021-2022 period, our organisation produced a total of 16,645kg of waste. We are proud to report that none of this waste was sent directly to landfill. Instead, 51% was diverted to recycling and 39% was collected

for anaerobic digestion, which transforms food waste into a renewable energy source. The remaining 10% was collected as general waste and sent for energy recovery, where it is transformed into energy through controlled incineration.

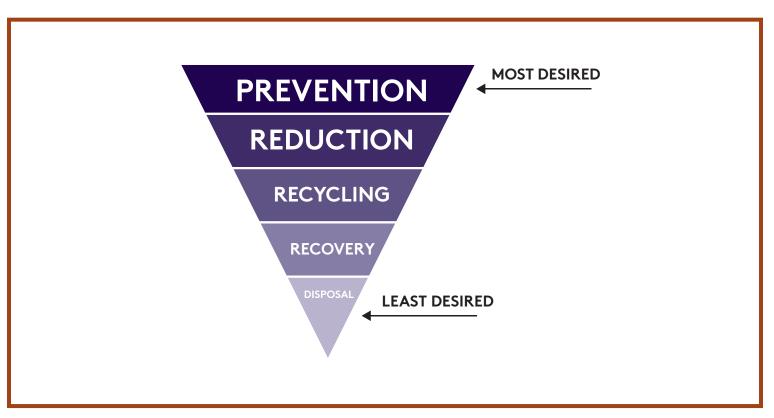


Figure 1.The waste hierarchy with prevention of waste as the most desired option and disposal as the least

FRESH COFFEE

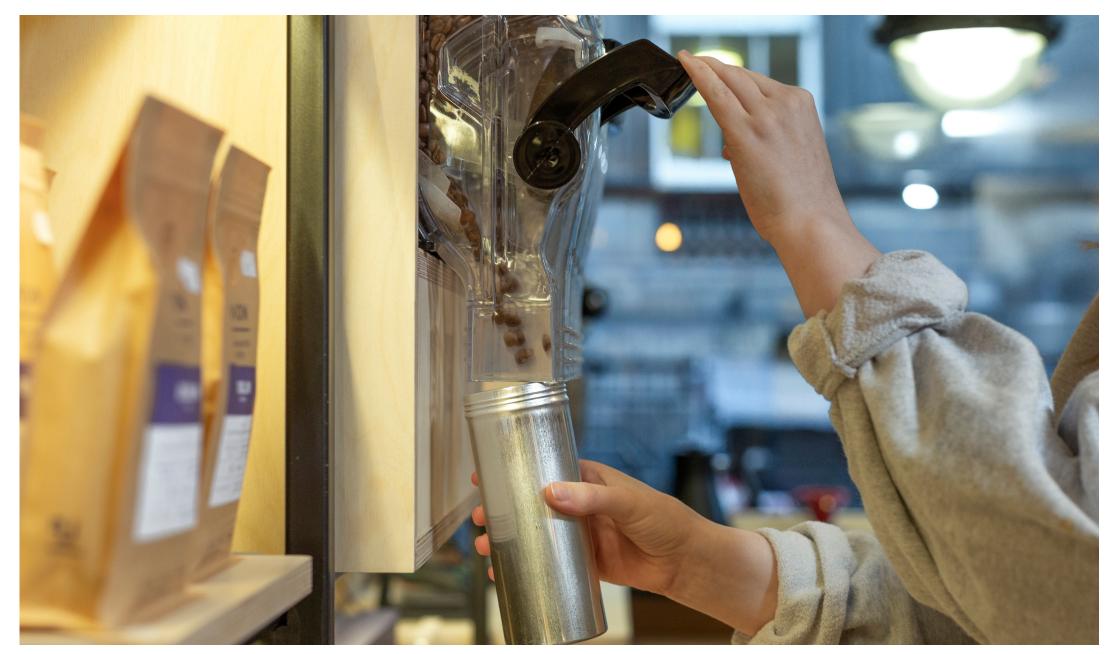


Figure 2.Stocking up on beans from one of our hoppers ensures customer get the freshest possible coffee whilst helping to reduce packaging waste.

The Fresh Coffee hoppers are a symbol of our commitment to sustainability. They enable us to reduce the need for single-use packaging, which moves us up the waste hierarchy, and provides an opportunity to promote circular economy thinking.

The programme's zero-waste approach to coffee is a significant factor in its success. Our system involves filling hoppers with the freshest coffee available, which is then served on the bar once fresher coffee arrives in the store. This enables us to consistently provide our customers with the freshest roasted coffee to take home without generating waste.

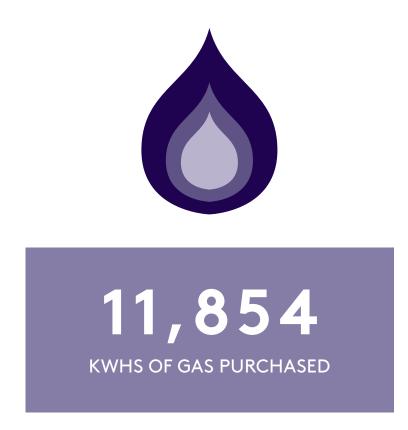
ENVIRONMENT: ENERGY

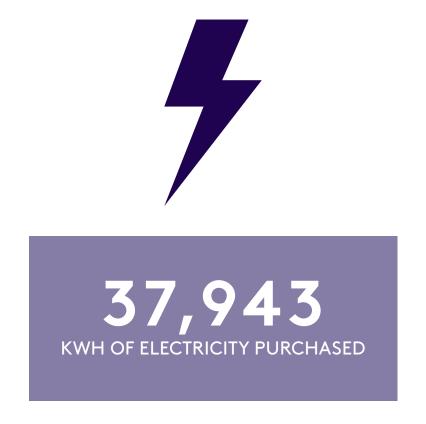
We are committed to reducing our energy consumption and continuously seeking new opportunities to do so. Additionally, we strive to prioritise renewable energy sources wherever possible.

To achieve these goals, we have carefully selected energy providers who invest in renewable sources. For example, Opus Energy Limited was one of our providers, and they purchase 100% of their energy from a range of renewable generators, including wind, solar, hydro, and anaerobic digestion.

Currently, Scottish Power is our gas and electricity

supplier, and we are on a plan that specifically invests in renewable energy. By partnering with providers like these, we aim to minimise our environmental impact and contribute to a more sustainable future.





ENVIRONMENT: WATER



Figure 3.Water is a key ingredient for brewing coffee, making up over 99% of the final cup. The Kalita Wave is one of favourite ways to brew and perfectly illustrates this.

We recognise the importance of minimising our water usage to reduce our environmental impact. To this end, we look to reduce our water consumption wherever possible.

During the 2021-2022 period, Union Brew Lab used a total of 850,000 litres of water and 807,500 litres was recorded as wastewater.

We are continually exploring ways to reduce our water usage, and we are committed to implementing sustainable practices that minimise our environmental impact.

WORKERS

Union Brew Lab's success is built on the hard work and dedication of our passionate team. As such, investing in our employees' well-being and professional development is a key performance indicator for us.

The hospitality industry can be challenging – with many workers, particularly younger or first-time employees, earning low wages and being vulnerable to exploitation. Moreover, the demanding nature of the industry can take a mental toll on workers.

To mitigate these challenges, we aim to create a supportive work environment that values our employees'

wellbeing. We provide opportunities for ongoing training and development, and we offer fair compensation and benefits that exceed industry standards.

In the 2021-2022 period, Union Brew Lab achieved several notable milestones in our commitment to supporting and investing in our staff.

We are proud to report that four internal promotions were made, including the appointment of a new General Manager and Assistant Manager, as well as two supervisors.



Figure 4. Here's some of our team pairing up to pour latte art as part of a in house competition, which was ran as part of one of our monthly training sessions.

Our efforts to create a positive work environment were reflected in our staff satisfaction survey results. Ninety percent of our team reported being satisfied or very satisfied with their job at Union Brew Lab, and 100%

reported being engaged or very engaged in their work.

We are committed to providing fair compensation to our team members. All staff received at least the Real Living Wage, which is 10% higher than the UK Living Wage.

In terms of demographics, Union Brew Lab employed a total of 24 individuals in 2021-2022, with 17 identifying as female and 7 identifying as male; 50% of our management and supervisory team identified as female. Our team members spanned a range of ages, with the youngest employee being 19 and the oldest being 33.

In addition to our ongoing efforts to support and invest in our team members, Union Brew Lab has aligned all our HR policies with those of our parent company, Union Hand-Roasted Coffee. This includes several worker benefits including enhanced maternity/adoption pay, paid time off for volunteering, and extra holiday days.

We are committed to providing our team members with resources to support their wellbeing both in and out of the workplace. As such, we enrolled all staff in a specialised hospitality industry Employee Assistance Programme. This programme provides all staff and their dependants with access to free advice and support if they are struggling either at work or in their personal lives.

HA EAP Employer

Workplace wellbeing. We've got you.

hospitalityaction.org.uk/yourwellbeing

PROCUREMENT: COFFEE

Our primary goal is to share the joy of speciality coffee with everyone, but we know that coffee doesn't come without its problems, we recognise that:

- The growing, processing, and roasting of coffee can have significant impacts of the environment.
- Low-income communities rely on coffee growing as a main source of income meaning that volatility in yields (worsened by unstable/unpredictable climate caused by global heating) can have a huge impact on their livelihoods.

•Issues including slavery, unsafe working conditions, and child exploitation have been found within the coffee growing industry.

For these reasons, Union Brew Lab aims to only purchase coffee that we can be assured has high levels of environmental and ethical consideration throughout the supply chain.

OUR RELATIONSHIP WITH UNION



Figure 5.Union provide us with plenty of exciting coffees that we love getting to share with our customers.

We are proud to be a part of the Union Hand-Roasted Coffee family, and we are fortunate to have them as our primary coffee supplier. In the 2021-2022 period, we purchased 1,434kg of roasted coffee from Union.

Union Hand-Roasted Coffee is committed to sustainable and ethical practices. They have a certified ISO 14001 Environmental Management System in place, and they are B-Corp accredited. Through their unique Union Direct Trade model, they positively and demonstrably impact the lives of coffee growers and their communities, ensuring that they are always paid a fair price.

AND LOCAL ROASTERS...

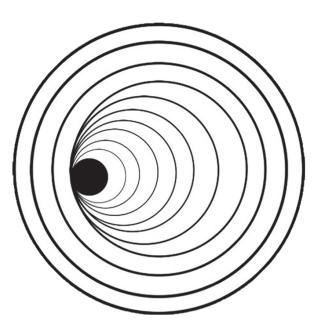
When not buying coffee from Union we focus on local roasters who operate within our city of Edinburgh.

Approximately 122kg of roasted coffee was purchased from local roasteries, including Fortitude, Williams and Johnson's, Obadiah, and Source.

These companies have ethical sourcing practices and, through purchasing from them, we are able support and invest in the local economy.

Obadiah





WILLIAMS & JOHNSON

PROCUREMENT: MILK



Figure 6. Milk makes delicious and beautiful drinks, but can have negative impacts on the environment.

Cow's milk has a significant environmental impact and according to some research is the most significant contributor to a coffee shops carbon footprint. For this reason, we are committed to sourcing and using milk responsibly and providing alternatives for our customers. In the 2021-2022 period, Union Brew Lab purchased 7,058 litres of cow's milk from Graham's Family Dairy and 2,382 litres of oat milk from Oatly and Moma. By offering alternative options like oat milk, we aim to reduce our impact on the environment and provide our customers with more sustainable choices.

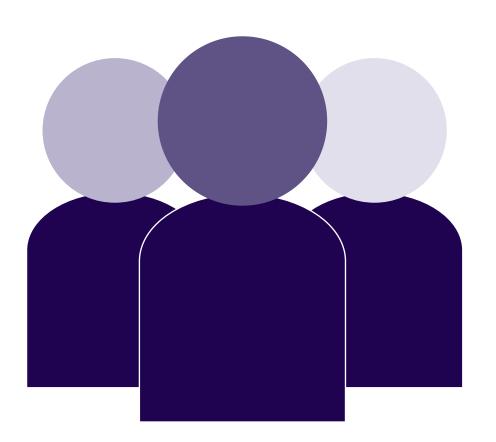
Furthermore, all of our baristas are trained to reduce milk wastage when creating drinks. This training is an important part of our commitment to sustainability and helps us to minimise our environmental impact. We believe that every small action can make a difference, and reducing milk wastage is just one of the ways that we can work towards a more sustainable future.

COMMUNITY

We are committed to being a positive force within our local community. We achieve this by providing jobs for people in the area, investing in the local economy, and supporting other local businesses. We also aim to create opportunities for people to meet and socialise, fostering a sense of community. Additionally, we partner with local charities and organisations to make a positive impact.

In 2021-22, we employed an average of 10 full-time equivalent staff members. We also supported local businesses, with 70% of our total spend on goods coming from local suppliers, many of whom we have been working with since Union Brew Lab opened in 2012. We

are also proud to have started our partnership with the charity organization Rock Trust, which works to help young people who are homeless or at risk of becoming homeless.



UBL X ROCK TRUST

Rock Trust are an Edinburgh based charity working to prevent youth homelessness in Scotland. They offer a range of youth-specific services to help young people avoid or move on from homelessness and this includes job skills training.

We have run regular sessions with groups of young people introducing them to speciality coffee and teaching some of the basic skills of how to pull espresso and texture milk.

We strive to share our passion for speciality coffee as well as imparting practical skills and knowledge to use

professionally within the coffee industry.



Figure 7.Our Head Barista Fraser sharing his knowledge and enthusiasm for specialty coffee with some of the clients at Rock Trust at their hub in Edinburgh.

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KPIS AND TARGETS

ENVIRONMENT

| MEASURED BY | TARGET |
|--|---|
| Create procedures and framework for acting more sustainably | Become ISO14001 accredited |
| Reduce waste | Waste reduced by 10% compared to 2022 (kg per £ revenue) |
| Reduce energy usage | Energy reduction of 5% compared to 2022 (kWh per £ revenue) |
| Divert edible food from waste | Codify system for edible food waste |
| | 10% reduction in food waste (kg per £ revenue) |
| Promote a circular economy through offering coffee-by-weight and encouraging reusable takeaway packaging | 10% increase in reusable coffee container use |
| | Scope cup deposit scheme introduced |
| Promote sustainability issues and share how Union are working to ensure a sustainable future for coffee | Café space used as platform to showcase the work Union is doing to protect the future of coffee |
| | Event series for stakeholders to engage with sustainability issues related to coffee |

WORKERS

| MEASURED BY | TARGET |
|---|---|
| Ensuring UBL is a great place to work | 90% of employees both satisfied and engaged with their work at UBL |
| Creating a healthier workplace and investing in employee health and wellbeing | Ergonomic improvements Set up a health, safety and wellbeing committee Wellbeing activities for staff |
| Invest in staff development and training | Encourage and fund staff to attend outside conferences/events SCA Qualifications for staff |

COMMUNITY

| MEASURED BY | TARGET |
|---|--|
| We become B-Corp certified – holding ourselves accountable, deepening team engagement and ownership and participating in the wider business-for -good movement to drive systemic change | Become B-Corp certified |
| Building a team of engaged and active global citizens who actively participate in the Edinburgh community | Give our team time to connect with our local community by offering 3 paid volunteer days per year 80% of employees use at least one day for volunteering |
| Supporting youth within our community by offering workshops for skills building | Partnership with Rock Trust running workshops with homeless and at-risk young people Partnership with other organisations |

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