

Toast Ale

IMPACT REPORT

2019



toastale.com

TOAST
HERE'S TO CHANGE



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**OUR 2019 IMPACT REPORT EXPLAINS
HOW WE'RE CREATING POSITIVE
CHANGE FOR THE PLANET, WHAT WE
ACHIEVED IN 2019 AND OUR PLANS
FOR 2020. WE HOPE YOU'LL ENJOY
READING AND JOIN US IN RAISING
A TOAST. HERE'S TO CHANGE**

HERE'S TO CHANGE

We set up Toast Ale in 2015 to bring people together and create positive change for the planet. Food production is the biggest contributor to climate change and biodiversity loss, but one third of food is wasted. We want to change that.

But we can't do it alone. Change starts when people come together, to be open about our losses and the challenges we face, to celebrate our joys and successes, and to share our hopes and dreams for the future. And what better way to put the world to rights than over a cheeky pint.

2019 brought a groundswell of action on environmental issues. There was an uprising of climate activism that bridged generations, from the School Strikes for Climate which began with Greta Thunberg, chosen as Time Magazine's 2019 person of the year, to David Attenborough's Climate Change: The Facts documentary that prompted conversations in our homes about the stark reality of our warming planet. Extinction Rebellion protests brought thousands of people onto the streets all over the world, many of whom had never before been involved in direct action.

Businesses and the financial community also began to shift. Business leaders declared a Climate Emergency in April, ahead of the UK government's declaration in May. The Bank of England became the first central bank to insist lenders stress test against climate risk and Mark Carney said "Firms that align their business models to the transition to a net zero world will be rewarded handsomely. Those that fail to

adapt will cease to exist." At COP25 in December, over 500 B Corps including Toast announced a commitment to Net Zero by 2030.

Yet all indicators about the health of the planet are moving in the wrong direction. 2019 concluded a decade of exceptional global heat, record sea levels due to the melting of the ice sheets, and increasingly regular occurrences of heatwaves and floods, with devastating tropical cyclones and wildfires. This is impacting biodiversity and natural ecosystems, as well as the lives of millions of people around the world with risk to health, livelihoods, food security, water supply and human security.

We can change this trajectory by limiting global warming to 1.5°C¹. We will need transitions in every sector, and resilient, connected communities to share ideas, find compassionate solutions and support each other through the transition. Reducing food waste is one of the simplest and most impactful things we can all do, and we want to prove that it can be fun and delicious too. By coming together and taking action, we can all be optimistic about the future.

Here's to change.

Louisa Ziane

Louisa Ziane
COO: Chief of all things
People, Planet and Profit

¹*The average global temperature has risen by 1.1°C since the pre-industrial period and is likely to reach 1.5°C between 2030 and 2052, and 3-5°C by the end of the century.

COMMITTED TO SUSTAINABLE BUSINESS

Our business model is designed with sustainability at its heart. Primarily, we reduce demand for natural resources by **replacing virgin barley with surplus fresh bread**. One of the biggest environmental challenges is the increasing demand for agricultural land to grow more crops for food, drink and animal feed (despite one-third of food going uneaten). This is driving changes in land use, from forests that act as carbon sinks to intensively farmed monocultures.

By using less barley, we have a smaller footprint on the land, reduce demand for water and prevent carbon emissions, whilst also preventing food waste.

Secondly we **donate 100% of our distributable profits to charities fixing the food system**. Our support for these organisations helps to rebuild the food system for people and the planet.

We've extended this systemic sustainable approach across everything we do,

including our financing structure. In 2018, we set up **Equity For Good** to bring external capital into the business. If investors sell their shares, they have committed to reinvest net profits into environmentally-focussed social enterprises or investment funds. This ensures the value created by Toast Ale supports others working for positive environmental change.

We are proud to be a **Certified B Corp**, part of a community of businesses that meet the highest standards of verified social and environmental performance, transparency and accountability.

We also support the **UN Sustainable Development Goals**, primarily contributing to [SDG 12](#) - Responsible Production & Consumption - through our circular economy model (in particular we support Goal 12.3: "By 2030, halve per capita global food waste at the retail and consumer levels and reduce food losses along production and supply chains, including post-harvest losses.")



VISION

A beer with more taste and a world without waste.

MISSION

To lead a brewing movement to eliminate bread waste and fix the food system.

FOUNDING PRINCIPLES

1. Brew great beers that engage drinkers.
2. Use surplus fresh bread to prevent waste.
3. Raise awareness of the issue of, and solutions to, food waste.
4. Maximise profits to reinvest in charities fixing the food system.

OUR KEY ACHIEVEMENTS IN 2019

By using surplus bread as part of the grain bill, we used less water (108 m³) and land (7.5 hectares) and avoided carbon emissions (11 tCO₂e). Read more about the positive impact of brewing with surplus bread on page 7.

We calculated our UK carbon footprint, including emissions in our supply chain and for customers, for the first time in 2019. This gives us a full picture of our impact

on the climate and ensures we're focusing on making improvements that create the most change. Read more about our carbon footprint analysis on page 11.



WE LAUNCHED THREE NEW POSITIVE PROJECTS IN 2019:

PACKAGING

After packaging was identified as a hotspot for the business, we conducted analysis and concluded that aluminium cans offered environmental benefits over glass bottles.. You can read more about this analysis on [our blog](#). We launched a crowdfunder to give our community the opportunity to be the first to enjoy a can of Toast and after a successful raise, launched the cans in Tesco and Waitrose in August.

(UN)PACKAGING

The lowest impact way of enjoying beer is without any packaging, so we supply our beer in reusable steel kegs. This year we worked with Waitrose as part of their Unpacked trial to expand awareness of beer on tap. We use tap handles made with reclaimed wood from bowling alleys, and have switched to fully recyclable keg badges across all our customers.

EMPLOYEE OWNERSHIP

We rolled out our [Equity for Good](#) model to all employees, giving everyone share options to make the team owners in the business (19.5% of the shares in Toast are owned by our employees). With objectives that relate to our social and environmental impact, everyone is invested in delivering positive impact.

B CORP IMPACT ASSESSMENT.

We've continued to make incremental improvements to the social and environmental performance, transparency and accountability of the business. We use the B Corp Impact Assessment framework to measure our progress. Our latest **unverified assessment** scores us at 102 (compared to our initial certification score of 81 in 2017).



17.2
GOVERNANCE



21.2
WORKERS



31.4
COMMUNITY



30
ENVIRONMENT



3
CUSTOMERS

OUR KEY PERFORMANCE INDICATORS 2019

WE MEASURE THE POSITIVE ENVIRONMENTAL AND SOCIAL IMPACT OF OUR CORE OPERATIONS AND INTERNATIONAL COLLABORATIONS USING KEY PERFORMANCE INDICATORS.

Raise a Toast.

Using surplus bread to replace virgin barley, we reduce the demand for land and water, and avoid emissions.

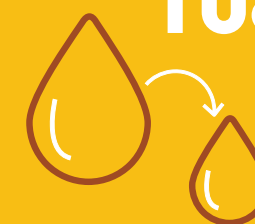
11 tCO₂e

EMISSIONS AVOIDED



108.4 m³

LESS WATER



851,000

SLICES



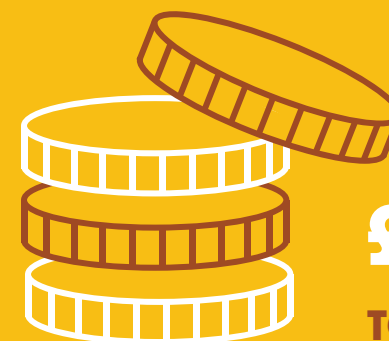
7.5 hectares

LESS LAND



SAVE THE WORLD.

Donating cash, product and our time to charities, we support them to deliver systemic change to fix the food system.



£14,269

TO CHARITY



30.5 days

VOLUNTEERING TO CHARITY

CHEERS.

Producing quality beers and using positive messaging, we engage people in conversation to take action for the planet.



656,000

PLANET-SAVING
PINTS OF TOAST
ENJOYED



3,200

HOMEBREWS

27

INDUSTRY BREWS



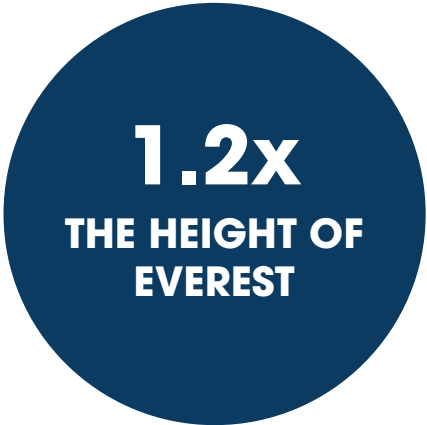
94.2

MILLION
PEOPLE
REACHED

RAISE A TOAST

IN 2019, WE UPCYCLED 851,388 SLICES (32.9 TONNES) OF SURPLUS FRESH BREAD INTO BEER. THAT'S 1,874,761 SLICES SINCE OUR FIRST BREW.

851,388 SLICES =
10,812M



MT. EVEREST
8,848M



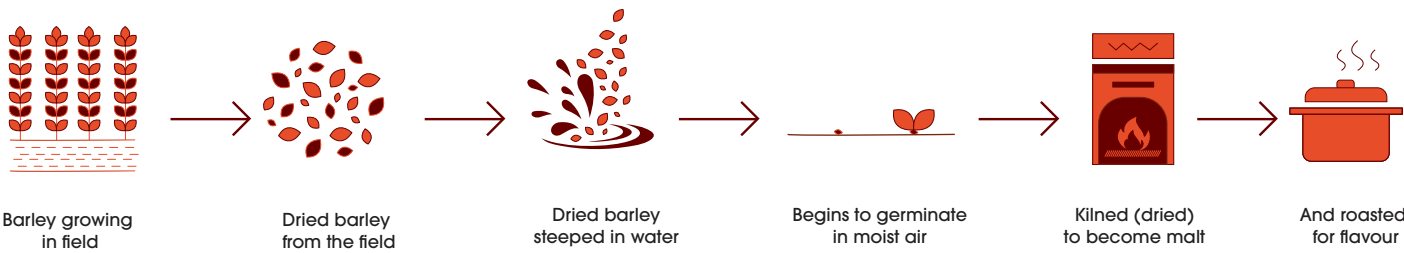
In the UK, we source surplus bread from the sandwich industry, working with partners such as Adelle Foods. We take the heel ends of loaves not used for sandwiches. These would otherwise be collected by a waste management company and sent to Anaerobic Digesters, where food waste is broken down into biogas for fuel and digestate for fertiliser, or sent to animal feed. This is an inefficient use of the resources that go into producing food - though better than landfill.

In the US and with our international collaborations, we work with local bakeries to take day-old loaves that would otherwise end up in landfill.



REDUCING DEMAND FOR MALT

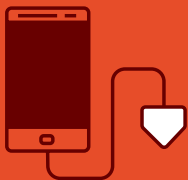
By adopting this circular economy approach to using the by-product of another industry, we're able to reduce our demand for malted barley. In 2019, we displaced 24.9 tonnes of malt by adding bread to the brew (54.9 tonnes to date).



In the UK, we've calculated that malt accounts for **25% of the carbon footprint** of our beer (in the US, it can make up on average a third of the carbon footprint of a can of beer). However, like with most carbon footprinting of products, this doesn't tell the whole story because it doesn't include the indirect impact of land use. If we were to add this into our calculations, malt becomes more significant. And we're already using one-third less than most brewers.



11 tCO2e
EMISSIONS AVOIDED



1,272,648
SMARTPHONE CHARGES

108.4 m3
WATER USE REDUCED



6.5 YEARS
OF A DAILY SHOWER

7.5 hectares
LAND USE REDUCED



21 people
FED ON A TYPICAL UK
DIET FOR A YEAR



SAVE THE WORLD

WE COMMIT TO USE ALL OUR PROFITS, OR AT LEAST 1% OF REVENUE (WHICHEVER IS THE HIGHER), TO FURTHER OUR MISSION TO FIX THE FOOD SYSTEM.

**DIRECT
CHARITABLE
DONATIONS
£10,256**

**CHARITABLE
DONATIONS
THROUGH
PARTNERSHIPS
£4,013**

We believe that business can be a force for good if the business model is designed with people, planet and profit in mind. As a social enterprise, we're just like a traditional business that aims to make a profit. But it's what social enterprises do with their profits that sets them apart - they must reinvest or donate the majority of profits to create positive

social change. We have gone one step further, committing in our governing documents to donating all our distributable profits to charity. This means that we will retain some profits to grow the positive impact of the business, and donate the remaining profits, that would typically be paid to shareholders as dividends by most companies, to charity.



CHARITY PARTNERS

FEEDBACK STORY

Our main charity partner is [Feedback](#). Feedback believes that securing nutritious, delicious food for all can and should go hand in hand with regenerating our planet.

They run campaigns to change negative industry practices, raising awareness of diverse food system issues including the use of edible crops for energy production, the feeding of huge quantities of wild fish to farmed salmon and overly-cautious date labels that cause unnecessary food waste. They also create positive solutions including paid internships in the environmental sector for young people, empowering workshops and community events to champion the movement from food consumer to food citizen, and public feasts using surplus food to create delicious, shared meals.

Feedback also pioneered the campaign on 'ugly' fruit and veg, which led to a huge global movement that has impacted the policies of the biggest food corporations and the priorities of the biggest international institutions. Billions of dollars' worth of investment and philanthropic money that has gone into solving the problem, and millions of tonnes of produce has been saved from going to waste.

One aspect of this campaign is Feedback's Gleaning Network. Since 2012, the Gleaning Network has worked with farmers whose crops were rejected by supermarkets for being the wrong size,

shape or colour, or who had grown excess to meet changeable purchasing forecasts. Gleaning gives volunteers an opportunity to engage with the food system hands-on to rescue this surplus fresh fruit and veg and get it to good local causes. To date 561 tonnes (roughly 7,000 portions) of food has been donated thanks to 3,714 incredible volunteers.

In 2019, Feedback open-sourced their expertise with a digital toolkit to support community-led projects nationwide to go Gleaning. There are now 21 groups in England who can access the know-how and tools to run their own Gleaning activities.

In October 2019, Feedback's Gleaning Network in Sussex joined forces with the Brighton and Hove Food Partnership to feed the local school strikers joining students from around the world in taking to the streets to call for action on the climate emergency. Using gleaned in-season corn on the cob, local apples and delicious soups to replenish people, the Brighton team introduced the food system into the climate conversation.

Our support goes towards all of Feedback's campaigns, helping them to drive social, political and corporate change by giving people the opportunity to take action. We work together towards a food system that produces healthy food and protects the planet.

OUR CHARITY PARTNERS

Through our 25 collaborations in 2019, we supported a wide range of charities working to improve all aspects of the food system.



VOLUNTEERING

We offer Team Toast two paid days per year to volunteer for causes that they are passionate about. In 2019, 30.5 days were given to local causes. We have joined the Ethical Angel platform to help the team to find and support more causes in 2020.

CHEERS!

We're committed to producing delicious, high quality beers that will engage people in our broader purpose. And we want to share our knowledge and experience with other breweries to build a movement in the brewing industry. So we raise a Toast to the drinkers, the brewers and the everyday changemakers enjoying a beer whilst saving the planet.



656,000

PINTS OF TOAST

THE DRINKERS

To the people who enjoyed over **half a million pints** of Toast in the UK in 2019, including our core range and 20 unique collaboration brews. And around the world, in the US, South Africa, Brazil, Iceland, Ireland, Australia and Belgium, people enjoying **150,000 pints brewed** in their country with their surplus bread.

THE BREWERS

To the inquisitive beer fans who viewed our open-source recipe **21,000 times in 2019** (83,000 times to date), and the 3,200 home brewers who went on to use the recipe to save approx **174,310 slices - 675,000 slices to date**. This equates to reducing emissions by 20t CO₂e, and reducing demand for land by 5 hectares and water by 69 m³.

To the 16 new commercial brewers across the world inspired to brew with surplus bread for the first time, and the 11 breweries now regularly brewing planet-saving beer. The #breadbeer hashtag is close to trending! In 2019, approx 970,000 slices were saved across the industry - 1.6 million to date. This equates to reducing emissions by 48t CO₂e, and reducing demand for land by 11 hectares and water by 164 m³.

Over 21,000
OPEN- SOURCE RECIPE VIEWS

OUR MESSAGE REACHED
9.4 million
people

THE EVERYDAY CHANGEMAKERS

The change we need goes beyond bread (we proved that with a [surplus pumpkin beer](#) this year), and beyond beer. So we're using our platform to encourage and celebrate every win for the planet, and raising a Toast to everyone we've reached with planet-positivity who has been inspired to take action. In 2019, our message reached **9.4 million people** through press, blogs, podcasts and social media.

2019 UK CARBON FOOTPRINT

Despite the positive impact we have, we still leave a footprint on the planet. In 2019, we calculated the carbon footprint for our UK business to better understand which parts of our operations are responsible for the most emissions and to focus our efforts on reducing those as far as possible.

We followed the Greenhouse Gas (GHG) Protocol which splits emissions into those that you are directly responsible for because you own or control the sources (Scope 1), and those that you are indirectly responsible for because they are a consequence of your actions (Scope 2 for electricity and Scope 3 for all other indirect emissions).

In 2019, we contract brewed with Wold Top Brewery in Yorkshire and operated our office functions from Sustainable Bankside's shared workspace in Southwark, London. Our Scope 1 emissions were negligible, so we measured our full Scope 1, 2 and 3 footprint. This includes the emissions associated with producing our beer, our offices and our business travel.

We have calculated our total UK carbon footprint to be 92 tCO₂e (or 85.7 tCO₂e on a net basis once we factor in the positive impact we have by replacing barley with bread that would otherwise be wasted).



PRODUCING OUR BEER

To produce our beer, we use five core ingredients: malt, bread, hops, yeast and water. Malt has the highest footprint because the process of malting is very energy intensive. Dried barley is first steeped in warm water then left to begin to germinate in moist air for approx 4-5 days. It is then kilned to dry the grain and stop it growing, and finally roasted. For Toast, malt is responsible for 26% of our total footprint. However, by replacing a third of the grain bill with surplus fresh bread, we reduce our use of malt and our carbon footprint is lower than it would otherwise be.

Our beer is then packaged in either glass bottles, aluminium cans or reusable steel kegs. Bottles and the steel crown caps are responsible for 28% of our total footprint and cans for 22% of our total footprint, though we only began canning in July 2019. The carbon footprint for aluminium in particular is very dependent on the recycled content of the can as the mining and processing of virgin Bauxite is very energy intensive. We've assumed national average recycling rates but want to investigate this further with our suppliers in 2020. A further 6% of our footprint is due to the outer cases and labels for the bottles and cans.

Once packaged, the beer is delivered to our UK customers by road (we have a policy against export for environmental reasons). Our customers will chill the beer and then throw away the empty packaging. The emissions associated with transport, use and disposal at end of life account for a very small proportion of our footprint (under 6%).



BREAK AND CRUMB SURPLUS BREAD



MASH WITH MALTED BARLEY AND WATER



BOIL WITH HOPS AND FERMENT WITH YEAST

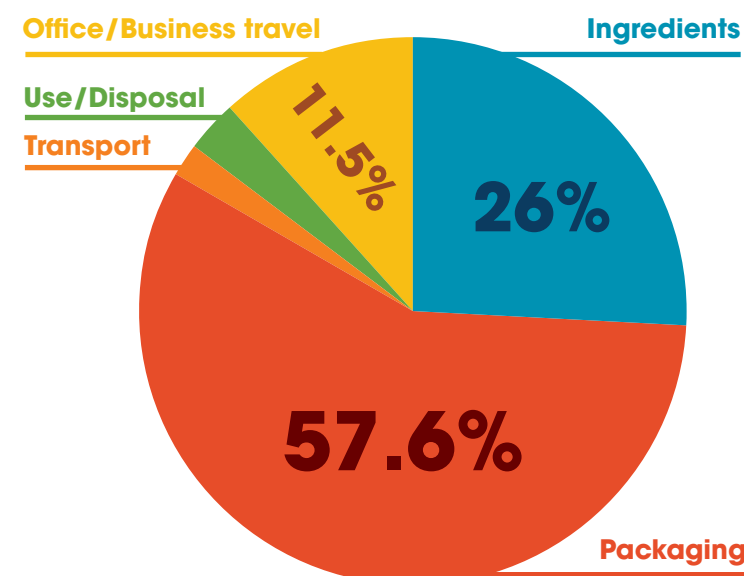


PACKAGE AND ENJOY

THE WIDER BUSINESS

Business travel is responsible for 11% of our carbon footprint, with flights contributing the most at 8%. Whilst we rarely fly, we have a small team in the US who look after our brewing in New York and our CEO travelled to work with them four times in 2019. It's incredible how big an impact just a few flights can have.

Our office is based at Sustainable Bankside, where we take up a relatively small space with a team of 10 people and emissions are negligible.



OUR 2020 FOCUS

COMMITTING TO
NET ZERO
EMISSIONS BY 2030



In 2019 we joined the B Corp community in committing to Net Zero emissions by 2030 and in 2020 we will develop our roadmap to achieving that. It will include some changes to our business practices to reduce, as far as possible, emissions from producing beer, packaging and transporting it, and from our business travel.

Our focus to achieve net zero will be on spreading our approach to reducing barley demand by using surplus fresh bread. We have already inspired many brewers to use surplus bread and continue to collaborate and share our experience. Changing the grain

bill across the entire brewing industry would free up a huge amount of land that would otherwise be converted to agriculture, reducing emissions from deforestation. It would also massively reduce emissions from cultivating, processing and transporting the grain, and from the malting process. It is this systemic approach that differentiates Toast, and we believe the biggest positive impact we can have.

We will also use our platform to support wider policy and behaviour change, and continue to support charities to fix the food system.

IN 2020, WE WILL WORK ON TWO KEY PROJECTS ALREADY UNDERWAY:

1

GET MORE FROM EVERY CRUMB.

We are improving our brewing process to extract as much fermentable sugar as possible from the bread we use. As the efficiency improves, we will be able to produce more beer from the ingredients and resources we use, improving the positive impact of every pint.

2

REMOVE PLASTIC FROM PACKAGING.

Our bottle cases, previously shrink wrapped to protect the glass, will change to fully recycled and recyclable **FSC** compliant cardboard boxes. With our cans, we've been using Polypropylene labels because they are filled in a wet environment and chilling causes condensation that would damage paper. This year we'll reach a volume that makes it possible for us to invest in printed cans so we can say goodbye to labels.

**HERE'S TO THE BAKERS, LETTING
NOTHING GO TO WASTE, CHANGING
THE WORLD ONE SLICE AT A TIME. TO
THE BREWERS GOING AGAINST THE
GRAIN, FERMENTING CHANGE WITH
EVERY BARREL. TO THE LANDLORDS
POURING OUR BEERS, PUTTING THE
WORLD TO RIGHTS. TO THE PUNTERS
RAISING A GLASS DOWN THE LOCAL,
SAVING THE PLANET OVER A PINT.
TO EVERYONE WHO WANTS TO
CHANGE MINDS, CHANGE THE
SYSTEM, CHANGE THE WORLD.**

**HERE'S TO A BEER WITH
MORE TASTE AND A
WORLD WITHOUT WASTE.**

CHEERS.

