



CSR Policies

Updated: March 2022

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Please see our [Staff Handbook](#) for the following policies: Anti-bribery policy, Data Protection Policy, Whistleblowing Policy.



Environment Policy

Toast Ale Ltd is committed to minimising the impact of our activities on the environment.

Our strategy to is to:

- Meet or exceed all the environmental legislation relating to our company.
- Measure our impact on the environment and set targets for ongoing improvement.
- Maximise the use of surplus ingredients in the production of our beer to reduce the impact of bakeries and reduce demand for virgin barley in brewing.
- Actively promote environmentally responsible operations with our brewery suppliers, including efficient use of energy and water.
- Minimise the environmental impact of distribution through our distribution strategy.
- Minimise beer waste by finding alternative uses for batches of beer that fail to meet our quality standards or are past BBE.
- Actively promote recycling of glass bottles, aluminium cans and cardboard packaging with our customers.
- Raise team awareness of environmental issues and enlist their support in further improving the Company's performance.

Louisa Ziane, COO



Environmental Management System

Our goal is to minimise the environmental impact of our products.

We are incredibly proud of the fact that we are creating a product using a surplus ingredient that would otherwise be wasted, preventing end of life impacts and reducing demand for land that can drive deforestation. In doing so we are raising funds to tackle the systemic causes of food waste by donating to select partner environmental charities.

However, we are mindful of not creating a product that has a greater negative impact. We therefore conduct a carbon footprinting exercise on an annual basis to measure and report our impact (as part of our annual impact report).

We have set a target to be Net Zero by 2030. Our offset strategy is to work with the food system, and regenerative food producers in particular, to use soil sequestration that also benefits biodiversity and water management. Our priority is to reduce our emissions as far as possible before investing in activity to offset our residual emissions.

Environmental Impacts

The key positive environmental impact of our business is our use of surplus fresh bread. As at 31 December 2021, we have prevented 100 tonnes of bread from being wasted.

The main negative impacts of our business activities are occur in our supply chain as we contract brew our beer and work with fulfilment partners to distribute:

- Ingredients: malted barley has a large carbon footprint
- Brewing process: energy for heat (natural gas) and release of CO₂ from the fermentation process, large volumes of water for cleaning
- Packaging: glass bottles and aluminium cans are both widely recycled and so recycled content is available, however recycling rates can be improved
- Distribution: fulfilment partners use road transport, with our D2C moving closer to EVs through DPDs network. We have a policy not to export to avoid air and sea freight.



Environmental initiatives

Brewing

Our contract brewing partners SEB Brewing and Bottling in Broadstairs measure and manage water use and have implemented measures to reduce use e.g. rinse recovery from cleaning systems.

SEB are looking at carbon capture technology to reduce the release of CO₂ (and use for carbonation). We are working with SEB to better measure and manage energy use.

Spent grain is sent to animal feed and spent hops are sent for composting.

Ingredients

Comparatively we use approximately 25% less barley than the rest of the industry, replacing it with surplus bread. We are working on ways to further reduce the amount of barley used.

Our main bread supplier Adelle Foods Ltd went into administration in 2020 as a result of the impact of the lockdown. We are now working with EF Bakery.

Packaging

We have conducted carbon analysis of the impact of aluminium cans v glass bottles and shared in our 2021 impact report to educate customers.

We currently offer both cans and bottles, which are recyclable at a local level. We encourage customers (consumers and on-trade stockists) to recycle to reduce the impact of both as we are not able to recover or reuse at the moment. However we will nudge people to choose cans.

We are currently working on options to replace PP labels on bottles and cans with more sustainable materials. We will begin using printed cans in 2022.

In 2020 we replaced plastic shrink-wrapping on 12 x bottle cases with 100% recycled FSC-certified cardboard. We use cardboard outer cases for all our cans and bottles, which is 100% recycled and recyclable at a local level.

We also supply to trade in reusable stainless steel kegs, which are collected from stockists by Kegstar for cleaning and re-supply to breweries.

Distribution



Prior to the pandemic, we were increasingly using distributors rather than supplying direct to small customers, meaning less journeys of bigger volumes. The lockdown forced us to rely on e-commerce and so increased the number of journeys, but we are focussing on larger distributors as the situation changes.

We do not own any vehicles. Our online orders are fulfilled by Beerhunter and UK trade orders are fulfilled by WareLogic.

Other initiatives in 2021

- Our Rise Up campaign raised awareness of the impact of the food system on people and the planet, and the opportunity to address that simply by reducing food waste.
- Our Companion Series championed collaboration as we brought 24 other breweries together with us to brew a limited-edition range of beers all brewed with surplus bread. From the success of this, we are launching an ingredients business - Toast Companion - to supply the brewing industry

Virtual Office Stewardship

We are based in a shared workspace and have always enabled remote working (from home or at other locations when travelling for meetings).

Staff are encouraged to consider the environment when working from home, with the following tips shared:

- **Renewable Energy** - There are a number of energy companies that support domestic renewable energy. Many members of the team currently used [Bulb](#) and we share welcome codes offering a financial incentive. Others include [Good Energy](#), [Ecotricity](#) & [Green Star Energy](#).
- **Energy Efficiency** - Consider your use of heating, lighting and power. Turn down the thermostat and insulate doorways, windows, walls and ceilings. Install energy-efficient light bulbs (CFL or LED) and switch off when not using. Don't leave computers and laptops on stand-by and unplug chargers when not using them - a power strip will make it easy to turn off everything with one switch.
- **Water Consumption** - water systems use a lot of energy to purify and distribute water to households so saving water can lower greenhouse gas emissions.
- **Products** - We have electronic communication and document storage systems to minimise the use of paper. If you do purchase stationery products, look for products made with recycled materials.



- **Reuse and recycle** - Think before buying disposable items / packaging. Find out about local council policies on what can be recycled.
- **Disposal of E-Waste and batteries** - E-waste should be carefully disposed of and not put into household recycling bins. Contact your local council for information on local options. Batteries can often be left in recycling bins in large supermarkets.
- **Travel** - By working from home, you are already reducing the impact of your travel by not commuting. When commuting or travelling for work, we encourage walking, cycling and use of public transport. If overseas travel is required, you should opt for train travel over flying where feasible.



Ethical Trading Policy

Toast Ale recognises the responsibility that we share with our suppliers to operate ethically. Promoting decent working conditions in our supply chains is part of our strategy to act in a socially responsible manner, therefore we require all our suppliers to comply with our Ethical Trading Policy (based on the Fundamental Conventions of the International Labour Organisation (ILO) and national and international laws).

We expect all our suppliers to have ethical processes and policies in place throughout their supply chain. We will monitor supplier compliance with this policy by asking to see their policies before the relationship begins, and ask for annual updates as evidence of compliance with our Ethical Trading Policy.

Coverage

This Policy covers our contract brewers, bread suppliers and packaging suppliers.

Responsibility

Our operations Director, Julie Prebble, has overall responsibility.

Specific Supplier Requirements

Suppliers are required to complete our Supplier Questionnaire and provide supporting policy documentation. We encourage suppliers to register on SEDEX or with similar providers, and if risks are identified to conduct ethical audits.

Policy Commitments

Suppliers to Toast Ale shall commit to ensure that:

1. Employment is freely chosen
 - a. There is no forced, bonded or involuntary prison labour.
 - b. Workers are not required to lodge "deposits" or their identity papers with their employer, and are free to leave their employer after reasonable notice.
2. Freedom of association and the right to collective bargaining are respected



- a. Workers, without distinction, have the right to join or form trade unions of their own choosing and to bargain collectively.
- b. The employer adopts an open attitude towards the activities of trade unions and their organisational activities.
- c. Workers representatives are not discriminated against and have access to carry out their representative functions in the workplace.
- d. Where the right to freedom of association and collective bargaining is restricted under law, the employer facilitates, and does not hinder, the development of parallel means for independent and free association and bargaining.

3. Working conditions are safe and hygienic

- a. A safe and hygienic working environment shall be provided, bearing in mind the prevailing knowledge of the industry and of any specific hazards. Adequate steps shall be taken to prevent accidents and injury to health arising out of, associated with, or occurring in the course of work, by minimising, so far as is reasonably practicable, the causes of hazards inherent in the working environment.
- b. Workers shall receive regular and recorded health and safety training, and such training shall be repeated for new or reassigned workers.
- c. Access to clean toilet facilities and to potable water, and, if appropriate, sanitary facilities for food storage shall be provided.
- d. Accommodation, where provided, shall be clean, safe, and meet the basic needs of the workers.
- e. The company observing the code shall assign responsibility for health and safety to a senior management representative.

4. Child labour shall not be used

- a. There shall be no new recruitment of child labour.
- b. Companies shall develop or participate in and contribute to policies and programmes which provide for the transition of any child found to be performing child labour to enable her or him to attend and remain in quality education until no longer a child; "child" and "child labour" being defined in the appendices.
- c. Children and young persons under 18 shall not be employed at night or in hazardous conditions.



- d. These policies and procedures shall conform to the provisions of the relevant ILO standards.

5. Living wages are paid

- a. Wages and benefits paid for a standard working week meet, at a minimum, national legal standards or industry benchmark standards, whichever is higher. In any event wages should always be enough to meet basic needs and to provide some discretionary income.
- b. All workers shall be provided with written and understandable information about their employment conditions in respect to wages before they enter employment and about the particulars of their wages for the pay period concerned each time that they are paid.
- c. 5.3 Deductions from wages as a disciplinary measure shall not be permitted nor shall any deductions from wages not provided for by national law be permitted without the expressed permission of the worker concerned. All disciplinary measures should be recorded.

6. Working hours are not excessive

- a. Working hours must comply with national laws, collective agreements, and the provisions of 6.2 to 6.6 below, whichever affords the greater protection for workers. Sub-clauses 6.2 to 6.6 are based on international labour standards.
- b. Working hours, excluding overtime, shall be defined by contract, and shall not exceed 48 hours per week. International standards recommend the progressive reduction of normal hours of work, when appropriate, to 40 hours per week, without any reduction in workers' wages as hours are reduced.
- c. All overtime shall be voluntary. Overtime shall be used responsibly, taking into account all the following: the extent, frequency and hours worked by individual workers and the workforce as a whole. It shall not be used to replace regular employment. Overtime shall always be compensated at a premium rate, which is recommended to be not less than 125% of the regular rate of pay.
- d. The total hours worked in any 7 day period shall not exceed 60 hours, except where covered by clause 6 (e) below.
- e. Working hours may exceed 60 hours in any 7 day period only in exceptional circumstances where all of the following are met:
 - this is allowed by national law;



- this is allowed by a collective agreement freely negotiated with a workers' organisation representing a significant portion of the workforce,
 - appropriate safeguards are taken to protect the workers' health and safety; and
 - the employer can demonstrate that exceptional circumstances apply such as unexpected production peaks, accidents or emergencies
- f. Workers shall be provided with at least one day off in every 7 day period or, where allowed by national law, 2 days off in every 14 day period.
7. No discrimination is practised. There is no discrimination in hiring, compensation, access to training, promotion, termination or retirement based on race, caste, national origin, religion, age, disability, gender, marital status, sexual orientation, union membership or political affiliation.
8. Regular employment is provided
- a. To every extent possible work performed must be on the basis of recognised employment relationship established through national law and practice.
 - b. Obligations to employees under labour or social security laws and regulations arising from the regular employment relationship shall not be avoided through the use of labour-only contracting, sub-contracting, or home-working arrangements, or through apprenticeship schemes where there is no real intent to impart skills or provide regular employment, nor shall any such obligations be avoided through the excessive use of fixed-term contracts of employment.
9. No harsh or inhumane treatment is allowed. Physical abuse or discipline, the threat of physical abuse, sexual or other harassment and verbal abuse or other forms of intimidation shall be prohibited.



Anti-slavery Policy

Commercial organisations carrying out business in the UK with an annual turnover of at least £36 million are required to publish a modern slavery statement for each financial year. We are a small business with turnover of under £500,000 and therefore have no legal obligation, and do not operate in countries with high levels of risk for modern day slavery. However, we are putting in place systems given our strong ethical foundations and our ambitions to grow.

We are fully committed to understanding modern slavery practices and to ensuring that there is no modern slavery in our own business or our supply chains.

Organisational structure and supply chains

Toast Ale Ltd contracts with breweries to brew beer with surplus fresh bread. The company was set up in the UK on 22 December 2015. In 2017, we set up a subsidiary company – Toast Ale LLC – in New York and two franchises in South Africa and Iceland. We also license our brand in Brazil.

We source bread from bakeries and sandwich makers. In the UK, the bread for our bottled beer is from Adelle Foods Ltd. All other ingredients (hops, yeast and water) and packaging materials (bottles, cans and cases) are sourced by the brewery. We do not yet have information about the suppliers to the breweries.

Responsibility

Our COO, Louisa Ziane, has responsibility for our anti-slavery initiatives.

Those initiatives include:

- the implementation of this policy
- risk assessments of new countries of operation
- supplier investigations and due diligence
- staff training

Risk assessment and due diligence

We have a short supply chain and so a good understanding of our supply chain to be able to assess the risks of modern slavery. We will review our existing suppliers on an annual basis using a questionnaire format.



If expanding to new countries of operation or when taking on new suppliers, we will assess the geographical risks of modern slavery (<https://www.globalslaveryindex.org/findings/>).

If new geographical territories are assessed to be high risk, we will conduct detailed risk assessment of the supply chain to ensure there is no risk of modern slavery.

If our suppliers do not meet the standard we require, we will ask them to take action to improve and terminate the business relationship if the required improvement is not forthcoming.

Staff training

We use training materials on modern slavery at <http://stronger2gether.org/resources/> and https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/380513/FactsheetFood.pdf.

We ensure all staff are briefed to understand what modern slavery encompasses and how it affects us as a business. Employees working on expanding our international operations or working directly with suppliers will be required to undertake this training and to sign off that they have completed it.

Key Performance Indicators

- All staff completed training on modern slavery – target 100%
- Supply chain mapping completed – target all new countries of operation within 12 months of launch
- System in place for supply chain verification – all new suppliers comply with policy
- Annual review of existing supply chains – all existing suppliers comply with policy



Appendix: Definition of modern day slavery

- Human trafficking

The essence of human trafficking is that the victim is coerced or deceived into a situation where they are exploited. Article 4(a) of the Council of Europe Convention on Action against Trafficking in Human Beings (the Convention) defines 'human trafficking' as: the recruitment, transportation, transfer, harbouring or receipt of persons, by means of the threat or use of force or other forms of coercion, of abduction, of fraud, of deception, of the abuse of power or of a position of vulnerability or of the giving or receiving of payments or benefits to achieve the consent of a person having control over another person, for the purpose of exploitation. Exploitation shall include, at a minimum, the exploitation of the prostitution of others or other forms of sexual exploitation, forced labour or services, slavery or practices similar to slavery, servitude or the removal of organs.

Components of trafficking	What it means
Action	recruitment, transportation, transfer, harbouring or receipt, which includes an element of movement whether national or cross-border; which is achieved by a...
Means (<i>not required for children as they are not able to give informed consent</i>)	threat or use of force, coercion, abduction, fraud, deception, abuse of power or vulnerability; for the purpose of...
Exploitation	eg sexual exploitation, forced labour or domestic servitude, slavery, financial exploitation, illegal adoption, removal of organs)

- Forced or compulsory labour, servitude and slavery

UN Convention number 29 concerning forced or compulsory labour defines 'forced or compulsory labour' as 'all work or service which is exacted from any person under the menace of any penalty and for which the said person has not offered himself voluntarily'.



Components	What is means
Means (<i>not required for children as they are not able to give informed consent</i>)	threat of penalty – eg threat or use of force, coercion, abduction, fraud, deception, abuse of power or vulnerability
Service	<i>as a result of the means</i> an individual provides a service for benefit, eg begging, sexual services, manual labour, and domestic service

'Servitude' means an obligation to provide a service that is imposed by the use of coercion. It is an 'aggravated' form of forced or compulsory labour. The fundamental distinguishing feature between servitude and forced or compulsory labour is in the victim feeling that their condition is permanent and that the situation is unlikely to change.

The 1926 Slavery Convention defines slavery as 'the status or condition of a person over whom any or all of the powers attaching to the right of ownership are exercised'. This concept of ownership is what makes slavery distinct – for example a situation where an individual was being controlled by another would not meet this threshold, unless there was clear evidence the person was being used as a commodity. It is a form of servitude with the additional concept of ownership.