

FOR WELL BEINGS



Flower of Life Ltd
Equinox Kombucha Impact Report
2021 - 2022

CREATING INSIDE OUT CHANGE
WRITTEN BY GENEVIEVE BOAST, OPERATIONS DIRECTOR - EQUINOX

OUR VISION

We believe in a world where business is used as a force for social and environmental change and where people understand that their choices directly contribute to their own health and that of our ecosystems

OUR PURPOSE

Inviting everyone to drink themselves 'well'

OUR MISSION

To make drinks that are good for the body, the mind and the soul

OUR PROMISE

Equinox believes in striving for balance in ourselves, our communities, what we we do, and how we walk the earth



EQUINOX
· ORGANIC ·
DRINKS FOR WELL BEINGS

MESSAGE FROM THE MD



DANIEL SPAYNE | MANAGING DIRECTOR

“It’s safe to say that in the period since our last Impact Report in Spring 2021, the environment in which we are doing business in the UK (and indeed worldwide) has been characterised with uncertainty and unexpected challenges in operating as a small and growing business.”

With escalating costs of living (in some part stemming from an unprecedented rise in component, energy and ingredient inflation for food producers such as ourselves) and a variety of increasing social and economic pressures, we have had to navigate a complex landscape of supply chain pressures,

rising costs of goods coupled with consumer confidence dropping to all time lows over Winter 2021/2022.

“As a business founded on ethical principles like organic health, responsible manufacturing and true community engagement, I am proud to say that despite these external pressures we have continued to prioritise our B Corp principles”

- and practices and support our key community partners in delivering the positive social and environmental impact (See page 8)

We have had to look long and hard at what the current cost of living crisis in the UK (and beyond) means to an ethical drinks brand like ours and where we can continue to make products that positively impact the health and wellbeing of our customers.

In the last year, we have worked to develop a real and testable Theory of Change (page 12) that allows us to understand the positive impact that our organic, living kombucha has for our customers when they drink it on a regular basis. We are also engaging with the University of York, Biorenewable Development Centre to better understand the specific formulation of our kombucha cultures and how we can continuously improve the way we ferment and brew our drinks to ensure they are of the highest quality and continue to have the most positive impact to our customer’s health and wellbeing. Finally, we have also undertaken an innovative local community outreach and listening project, which has brought out some key themes of importance for our local Calderdale Community.

DANIEL SPAYNE | MANAGING DIRECTOR

This report is split into three key areas for us as a business. These areas are guiding principles if you will. They keep us focussed on creating an integrated approach to sustainability across every part of our organisation and its wider social and environmental ecosystem.

We will look at key areas connected to our **PURPOSE** to produce delicious, healthy, organic drinks that invite people to literally ‘drink themselves well’. We present a recap on the previous 12 months, what we have achieved in relation to our B Corp mission and our impact targets for 2020-2021 and present the findings of our annual Future Trends analysis where we actively seek stakeholder views to guide our community and impact strategy.

We focus on the work we have been doing to engage and develop our **PEOPLE** and teams, implementing continuous improvement cultures across our business and engaging all our staff in our food safety mission for our BRC AA certification.

We also dive into our environmental strategy, focussing on the impact we can have to **PLANET** through our continuing advocacy

for organic agriculture, our work with food waste non-profit partner : Surplus to Purpose ; as well as the carbon reduction programmes that we have in the pipeline.

Overall, despite the challenges we have all faced, the last year has been full of amazing achievements for Equinox and we are very proud to be presenting this report to you at a time when we are facing incredible local and global challenges.

“One particular achievement is the successful crowd funding investment”

- round which we have worked extremely hard on and closed. This was a great way to bring more people into our story and journey and has widened our investor base significantly. Sustainability and our B-Corp mission was front and centre of that pitch.

I strongly believe that it is the role of ethical businesses like ours to make a step change despite the increasingly turbulent market dynamics we face and take the lead on business being a force for good in these times of social and environmental change. After all, change can only happen when we stand by our values and ethics, even in the face of pressure and difficulty.



2021-22 THINGS TO CELEBRATE

2021 was an interesting year for many small businesses as we continued to move out of pandemic restrictions and deal with rising inflation and cost of living. For brands like ours, much of our focus was on engaging customers into key sustainability issues such as access to healthy, organic products and their positive impact on physical, mental and emotional health. Significant progress was made in understanding our carbon footprint across

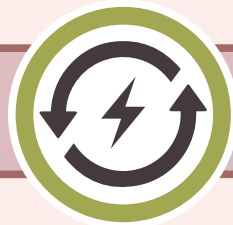
our supply chain and deepening our community giving work with key partners such as **Surplus to Purpose**. We also participated in an **Impact Hub Accelerator** programme across the summer which allowed us to develop our **Theory of Change** as well as our fledgling food economy model that was sparked from our Calderdale Stories diversity & inclusion project and will be further developed this year.

MAR



DONATED 2400 CANS TO
SURPLUS TO PURPOSE

APR



MOVED TO 100% RENEWABLE ENERGY
ACROSS ALL OF OUR SITES

MAY



EMBARKED ON THE FEED THE CITY IMPACT
HUB ACCELERATOR TO CREATE OUR BRAND
AND PRODUCT THEORY OF CHANGE

JUN



COMPLETED OUR FUTURE TRENDS
SURVEY WITH EMPLOYEES, CUSTOMERS
AND STAKEHOLDERS TO DIRECT OUR
SUSTAINABILITY STRATEGY INTO DIVERSITY &
INCLUSION AND CARBON & BIODIVERSITY

WON GREAT TASTE AWARDS FOR OUR
RIVER COTTAGE HEDGE, ORCHARD AND
GARDEN FLAVOURS

OCT



CONTINUED OUR PARTNERSHIP AND GIVING
SUPPORT OF THE REAL JUNK FOOD PROJECT
(REBRANDED SURPLUS TO PURPOSE) TO
SUPPORT THE REDUCTION OF FOOD WASTE
AND FOOD POVERTY IN YORKSHIRE

SEP



PARTICIPATED IN THE RIVER COTTAGE
PARTNERS NETWORK KICK OFF TO LOOK AT
COLLABORATIONS ON ORGANIC GROWING,
PRODUCTS AND CONSUMER EDUCATION

AUG



CONDUCTED A FULL LIFECYCLE ANALYSIS OF THE CARBON FOOTPRINT OF OUR
BOTTLES AND CANS WITH CLIMATE PARTNER TO UNDERSTAND THE KEY AREAS OF OUR
SUPPLY CHAIN WHERE WE CAN WORK TO REDUCE OUR CARBON IMPACT

JUL



ENGAGED WITH STROUD BREWERY, B DEALS AND TOAST ALE FOR B CORP MONTH
EDUCATION, COLLABORATIONS AND SOCIAL CAMPAIGNS

NOV



DEC



CONTINUED OUR EQUINOX LEADERSHIP AND
CI TRAINING WORKING WITH OUR STAFF
TO INTEGRATE LEAN AND CONTINUOUS
IMPROVEMENT WAYS OF WORKING INTO OUR
FOOD SAFETY CULTURE

JAN



CONTINUED TO CONDUCT STAKEHOLDER INTERVIEWS FOR OUR LOCAL DIVERSITY & INCLUSION PROJECT CALDERDALE STORIES






FEB



MEASURING OUR IMPACT TARGET

We made some good progress last year against our core Impact Targets linked to the five areas on the B Corp framework. Our last certification score in 2019 was 91.3 and we hope to raise this by 5-9 points when we recertify in 2023.

B CORP IMPACT AREAS 2020 - 21

	GOVERNANCE	The implementation of an internal performance based share scheme that creates a wider sense of ownership and accountability amongst our employees
	WORKERS	The design and implementation of an integrated training and development strategy that weaves on-the-job skills-based training, with social & environmental development, diversity awareness, management training and continuous improvement and lean ways of working
	ENVIRONMENT	Development of Supply Chain sustainability data, tracking and partnership approaches to positive environmental impact such as collaborative working to encourage UK organic herb growing
	COMMUNITY	Partnering with Rooting & Fruiting and The Real Junk Food Project to understand the evolving needs of our community and how we can play our role as a key business stakeholder in the creation of a Community Learning Hub into 2021
	CUSTOMERS	Development of customer education & engagement strategy, and true customer dialogue linked to our Equinox Community programme to build awareness of the health benefits of Kombucha as well as inform our ongoing new product design strategy

As a reminder, our 2021 commitments

WHAT WE ACHIEVED

GOVERNANCE – Our employee share scheme was designed and approved. It is now in the final stages of sign off with HMRC and we expect it to be implemented in July 2022.

WORKERS – We designed the Equinox Leadership Lab trainings – a 3 module programme focussing on Mission, Culture, B Corp, Continuous Improvement, Food Safety and Diversity & Inclusion. Modules 1 & 2 have been piloted and module 3 is in design ready to be tested over the summer.

ENVIRONMENT – We conducted a fully carbon lifecycle analysis with Climate Partner to understand where our key areas of opportunity exist to reduce and redesign our carbon impact. We will be continuing this work with other partners in 2022 as a part of our Net Zero Strategy.

COMMUNITY – We continued our partnership with Rooting & Fruiting, completing Season 1 of our diversity & inclusion project Calderdale Stories (see page 18). We also continued to support Surplus to Purpose through donations of cash and products, allowing them to find a new warehouse and continue their work (see page 20).

CUSTOMERS – We embarked on the Impact Hub Accelerator programme to develop a Theory of Change around our brand mission and our products (see page 12). This is now being tested on an ongoing basis through our 14 Day Wellbeing Challenge and our work with other B Corps and partners such as River Cottage.

2022-2023 IMPACT TARGETS

In 2022 we will be focussing our sustainability targets and objectives in the key areas highlighted from our annual materiality study, Future Trends (see page 10). Primarily, we will be looking at the development and wellbeing of our Equinox people, our contribution towards the creation and maintenance of healthy ecosystems in our value chain and the design and implementation of our evolved mission, purpose and theory of change as a mechanism to engage & educate our stakeholder community.

PURPOSE INVITING EVERYONE TO DRINK ‘WELL’

Customer Education – Partnerships with River Cottage, Yeo Valley and other aligned B Corps to invite consumers to try healthy, organic, living drinks like Kombucha (ongoing testing of our 14 Day Wellness Challenge and Theory of Change - see page 12).

Research – Scientific research into the key health benefits of our kombucha, linked to circular economics and experts in aligned fields such as nutrition, gut health and mental wellbeing.

PEOPLE DEVELOPING WELL BEINGS

Investing in our people to help them develop into Well Beings in body, mind and soul. Leadership development, community volunteering, social projects and diversity & inclusion workshops will engage our Equinox people into our sustainability values and ethos.

PLANET SUPPORTING HEALTHY ECOSYSTEMS

Carbon – Launching our carbon reduction strategy and targets with Soil Heroes and Surplus to Purpose.

Waste – Continued focus on increasing the recycled content of our packaging and moving to recycled plastic labels and deepening our partnership with food waste charity Surplus to Purpose.



LISTENING TO OUR STAKEHOLDERS

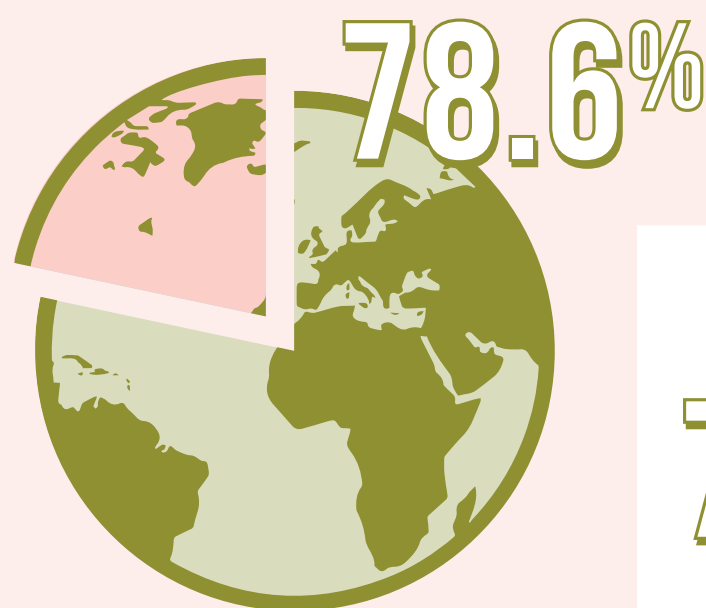
FUTURE TRENDS

Every year we conduct a materiality analysis with our core stakeholder groups such as our employees, our customers and our wider community. This survey looks at four core sustainable development areas of impact – our impact to the environment, to society, to health and to economics.

We use the data gathered from this survey to focus our community giving donations, our employee volunteering activity and our community partnerships to ensure that we are having a positive impact on areas that are most important to our stakeholders.

2021 RESULTS

CLIMATE CHANGE



PUT CLIMATE CHANGE AT THE TOP OF THEIR ENVIRONMENT LIST OF CONCERNS FOR THE FUTURE.

BIODIVERSITY & REFORESTATION

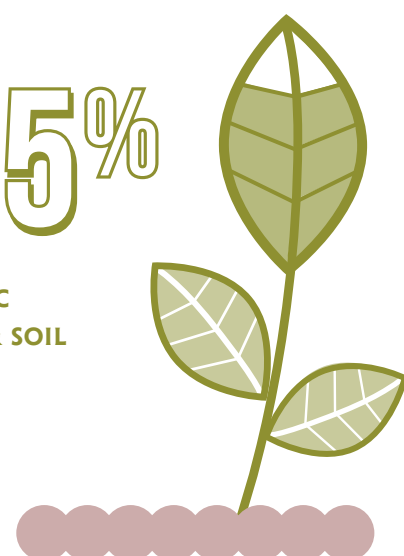
76.4%

OF PEOPLE SELECTED BIODIVERSITY & REFORESTATION AS A CONCERN

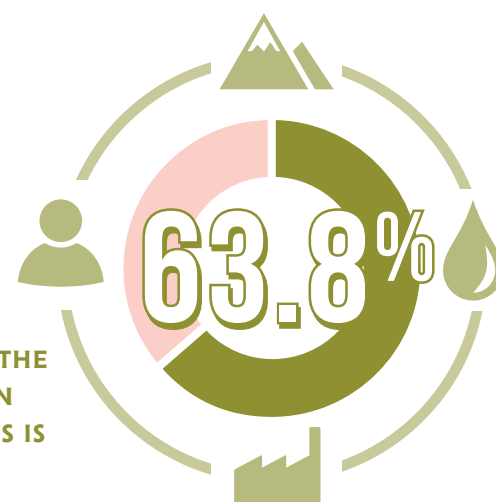


67.5%

LISTED ORGANIC AGRICULTURE & SOIL HEALTH AS KEY



HIGHLIGHTED THE REGENERATION OF ECOSYSTEMS IS IMPORTANT



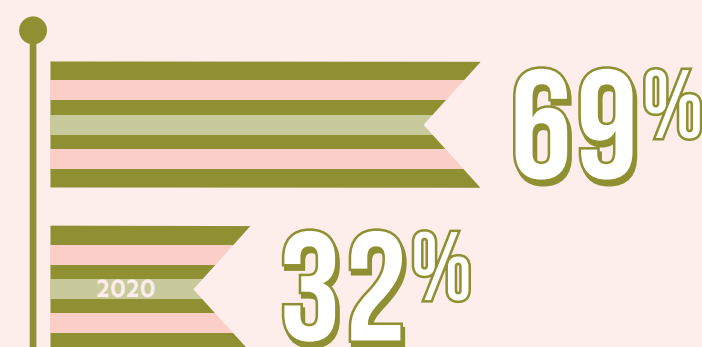
EDUCATION



75.6%

EDUCATION WAS TOP AGAIN IN THE SOCIAL CATEGORY WITH 75.6% OF PEOPLE FLAGGING THIS AS CRUCIAL FOR A HEALTHY FUTURE

DIVERSITY & INCLUSION



THIS CATEGORY WAS MASSIVELY UP FROM 2020 - SOMETHING THAT SEEMS TO BE A RISING SOCIAL TRENDS SINCE THE PANDEMIC WITH CONCERNS OVER INCREASED SOCIAL ISOLATION AND INEQUALITY

SOCIAL MOBILITY & JOB CREATION

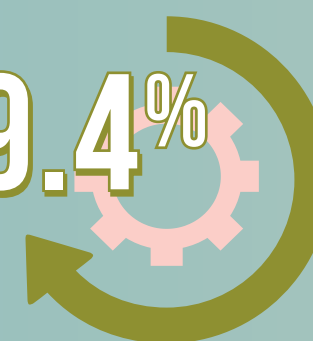
69.7%

FLAGGED THIS AS A KEY ECONOMIC CONCERN & AN IMPORTANT ISSUE TO ADDRESS OVER THE NEXT 12 MONTHS



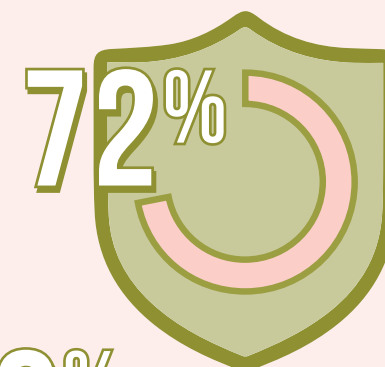
69.4%

THOUGHT APPRENTICESHIPS & LOCAL TALENT DEVELOPMENT WERE OF KEY CONCERN



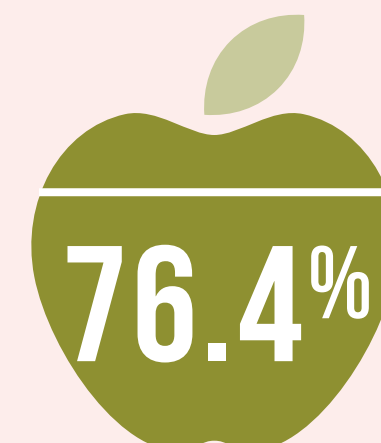
HEALTH & IMMUNITY

HEALTHY IMMUNE SYSTEMS SHOWED INCREASED FOCUS IN THE LAST 12 MONTHS.

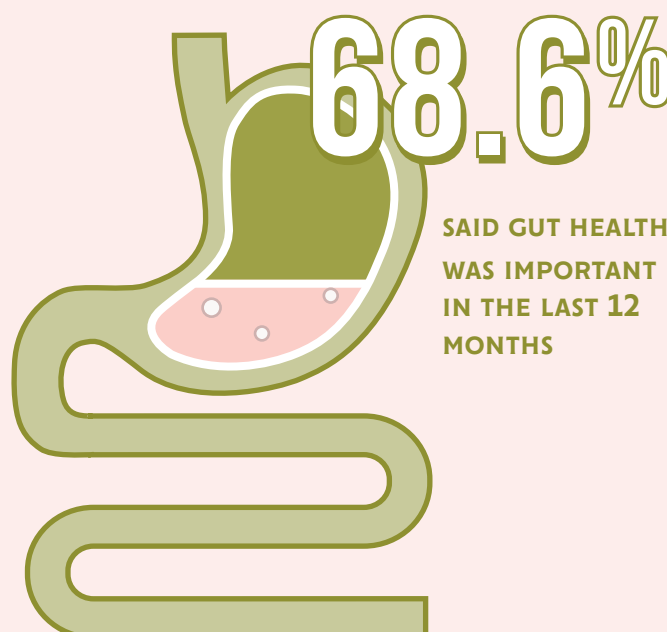


76.8%

MENTAL HEALTH IMPORTANCE ROSE IN 2021 SOMETHING THAT IS LIKELY CONNECTED TO THE GROWING DIS-EASE AROUND OUR POST PANDEMIC HEALTH AND SOCIAL SYSTEMS.



HIGHLIGHTED EXERCISE & NUTRITION OF IMPORTANCE



SAID GUT HEALTH WAS IMPORTANT IN THE LAST 12 MONTHS

PURPOSE

DEVELOPING OUR THEORY OF CHANGE

In the summer of 2021, we worked with a cohort of other ethical food businesses on the **Feeding the City, Impact Hub Kings Cross** programme. One of our key aims was the development of a robust and verifiable Theory of Change for Equinox as a brand and for our authentic, organic, living kombucha products. We worked closely with experts in the field of social impact and developed the theory of change opposite as well as the model for testing its validity and ultimate impact on our consumers.



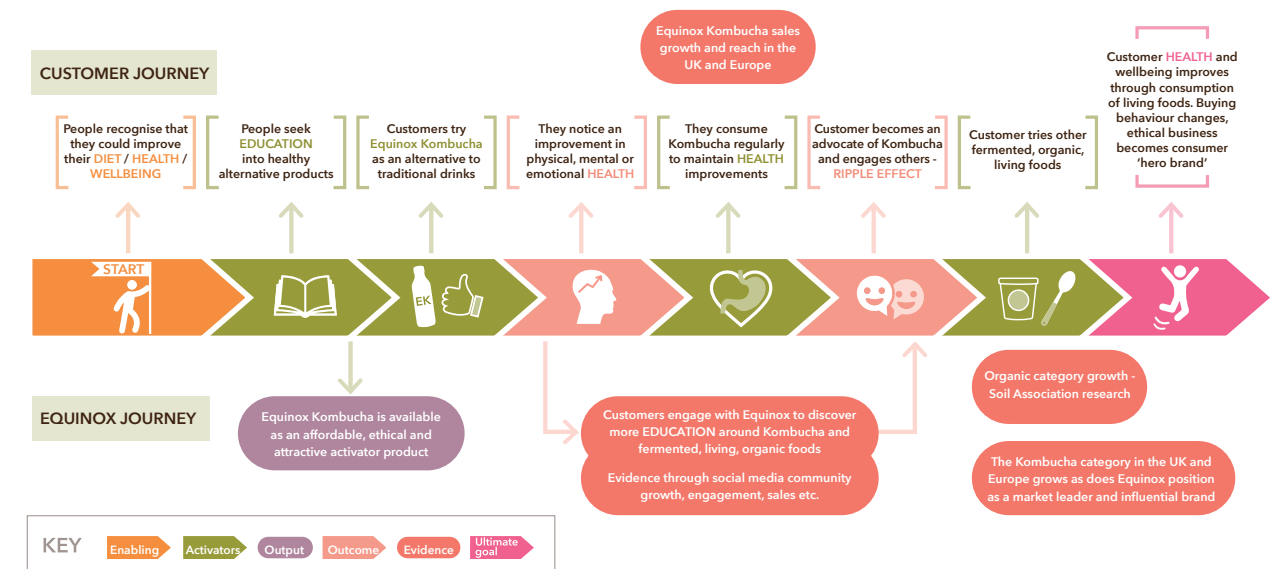
In addition to doing research into kombucha and its relationship to gut health on a wider level (as a benchmark) we launched an ongoing **14 Day Kombucha Wellness Challenge** where customers drink an Equinox Kombucha a day for 14 days and report back to us at the end of the challenge whether they felt improvements to their physical, mental and emotional health and wellbeing. So far feedback has been exceptional with participants reporting improvements to their wellbeing across almost every metric being measured. We have also been receiving qualitative feedback from customers such as

“I love your kombucha and it has made me feel younger, due to IBS going away! Thank you and keep up the good work”



OUR THEORY OF CHANGE

The journey of our disruptive products and brand



OUR IMPACT METRICS

What tells us that our products & brand are creating change?

Benchmark - Overall Kombucha research - what does this tell us?

Equinox - How does Equinox differ from the benchmark?

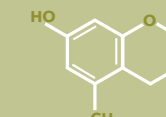
HEALTH

What does 'improved health' mean to existing customers?



GUT HEALTH

- Bloating, Weight, Stress, Digestion, Energy Levels, Sleep (*Wellbeing Study*)
- Organic acids - Acetic acid / Antioxidants – unique to Kombucha (*Scientific research benchmark*)



EDUCATION

What do **potential customers** want to know or care about?



GUT HEALTH SPECIFICS (Social & Future Trends)

- Connection between gut health and immunity
- Gut – Brain Axis (Mental health)
- Gut health and sleep



PURPOSE FOR WELL BEINGS

In 2021, health and immunity rose to the top of the agenda for many of our customers and community. This was also reflected in UK market research that showed 59% of people considering health more when they shop (Accenture 2020) and 47% of people consuming products that help with their immunity (IGD Health Trends 2020).

We decided to take one of our core brand and product USP's and connect it to the mission tag for our business. **Equinox For Well Beings** was born and now forms the core underlying principle in the products we produce, how we go about manufacturing them and the culture and ethos of our business. The For Well Beings proposition sits are the heart of our theory of change and is fed throughout all our marketing campaigns and consumer engagement. Expect to see more on this as we continue to develop the Well Beings story throughout 2022.

A DELICIOUS, HEALTHY ALTERNATIVE TO HIGH SUGAR DRINKS

As many of us in the food and drink industry in the UK know, there was much debate in 2021 and early 2022 about the new government HFSS (high fat, salt or sugar) regulations that were due to be introduced in April of 2022. Despite the government delaying the official launch citing concerns over rising cost of living, many mainstream retailers have decided to move ahead in introducing the new measures that would see unhealthy products high in sugar and salt be restricted from promotions in prominent areas of stores (for example buy one, get one free).

At Equinox we were founded on the principle of making a healthy, delicious, organic drink as an alternative to high sugar soft drinks and juices. **When it comes to HFSS, we score 0 on the scale** which means there are no restrictions to where or how we can promote our kombuchas. The health credentials of our drinks have always been a core factor in the social impact of our products and we will continually strive to educate consumers as to the benefits that switching from high sugar soft drinks to healthier alternatives like kombucha. The new HFSS regulations are supportive of small companies like ours, who often struggle to compete for consumer attention in store against larger brands monopolising the prominent promotion areas of retail.

OUR HFSS SCORE IS



HIGH FAT, SALT OR SUGAR

ORGANIC IS STILL GROWING

Organic agriculture and ingredients have always been a passion of the team here at Equinox. From the outset of our company in 2012, we decided that all our products would be organic and therefore support both the health of the people drinking them as well as the health of the ecosystems and soil that grew the raw ingredients.

Organic farms have been shown to support higher levels of biodiversity and wildlife in general which is one of the reasons we believe that this is a key mechanism to restoring our UK landscape back to health and resilience. Our partners such as River Cottage and Yeo Valley are equally as passionate and together we join forces with them to engage people into the health and wellbeing benefits of organic food and drinks.

News from the UK organic market is also good when we look at the growth numbers being shared by the Soil Association in their Organic Market Report 2022. The report showed that

for the 10th consecutive year, the UK organic market grew and was estimated to be worth c £3.05BN at the end of 2021.

Organic growth in UK supermarkets peaked in March 2021 and grew overall by 2.4% from the previous year.



Sales of organic products online also increased by 13% over 2021

- something that we definitely saw as a trend over the pandemic where our online sales increased 700% from the start of 2020 to the end of 2021.

As reflected in our own consumer research late in 2020, the Soil Association reported that more people than ever were concerned about health, sustainability and the environment in 2021 and that this was a key driver for why people would choose to buy organic food and drink.

Organic will always be a non-negotiable for Equinox and we are proud to be working with our partners, our customers and our community to build awareness of the health benefits of eating and drinking organic products.



PEOPLE

DEVELOPING OUR PEOPLE AS WELL BEINGS

Creating wellbeing starts in our workplace and the health of our Equinox people has always been a core foundation of our sustainability strategy and B Corp mission.

We have conducted quarterly health and wellbeing pulse check surveys for all our staff for the last three years and were pleased to see that our overall engagement scores have remained above 70% for the duration of the pandemic period.

During this time despite social distancing and the need to enforce necessary precautions on mixed between teams whilst we were dealing with Covid waves, our focus on communication and coaching across our organisation remained high. As a food a drink business, we were considered 'essential' but most of our support functions worked from home for a large proportion of 2020. It was therefore important to ensure that everyone was continually updated with key company information and still made to feel a part of the team. We organised 'zoom living rooms' where staff would gather, drink a booch and

share anything that was on their minds. We ramped up our one to one coaching to ensure that mental and emotional health remained in the forefront of peoples awareness and that our staff were offered any help they needed.

Afterall, our mission is to make healthy drinks, good for the body, mind and soul so we need to ensure that this ethos is reflected in not just what we create but how we do business from the inside out.

We also continued with the next modules in our Equinox Leadership Lab trainings as and when, social distancing measures allowed us to mix teams once again. The second part of these trainings focussed on helping our people to develop Lean and Continuous Improvement mindsets and toolkits. **In addition to empowering our people to drive efficiencies and improvements across our operations, we also see this quality framework as essential to supporting both our B Corp mission and our BRC food safety culture.**



EVOLVING OUR FOOD SAFETY CULTURE

We are one of the only kombucha companies in the world to have a BRC AA Food Safety certification and as such, developing and continuously improving our food safety culture is paramount to the quality of our manufacturing processes.

Every quarter we conduct a food safety survey with our staff, asking them to rate how well they think we are doing as an organisation at maintaining, improving and reporting on our food safety. We have never fallen below 80 in terms of the % of our employees who feel we have an excellent food safety culture and practice.

In addition to regular training and review meetings, we actively encourage our staff to report any issues that they feel could contribute to food safety and provide us with feedback in terms of the areas they feel need improvement and focus. Many of our continuous improvement projects stem from these suggestions.

Pleasingly 100% of our staff said they understand their role and responsibility in helping to create a food safe manufacturing environment and way of operating. Because of this two-way feedback mechanism we are able to continually improve our ways of working and engage our people in driving that process.



PEOPLE

BECOMING A LISTENING ORGANISATION

When we first started to try and understand what diversity and inclusion meant to us as a fledgling B Corp, we were beginning this journey amidst the noise and turmoil of the Black Lives Matter protests in 2020. Rather than follow the crowd and simply post a black square on our social media channels, we decided as a team to take a step back and first understand what diversity really meant, both within our teams and organisational culture as well as in our local area of West Yorkshire.

It was at this stage that we partnered with Beth Morgan, a long time social change catalyst and Founder of Calderdale grassroots organisation **Rooting and Fruiting**. Beth helped us to co-design, interview and implement our diversity and inclusion study programme **Calderdale Stories**.

Season 1 of the research, saw Beth interviewing a number of local changemakers in a wide variety of fields from diversity, to food growing, to the cooperative movement. These interviews allowed us to listen to the voice of our

local community stakeholders and understand what was changing in terms of the social and environmental need over the pandemic as it progressed.

This process whilst giving us a direct insight into the key social and environmental acupuncture points in our local ecosystem, also allowed us to compare the local needs being expressed to the wider national concerns that we capture in our annual Future Trends survey.

From here, we have started a process of social mapping. One that has taken the listening exercise and started to translate it into something that can be offered as a resource and information tool for other organisations in Calderdale. Our sponsored website calderdalestories.earth is the repository for the information gathered in the Season 1 interviews and allows anyone to come and benefit from the research we have undertaken.

FROM LISTENING TO INCLUSION

Of course everything we have done looking outwards into our local ecosystem must then in turn be incorporated back into our Equinox ecosystem. The learnings we have had from Season 1 of the Calderdale Stories project allowed us to look at where our community support (both financial and in-kind) could best be focussed to address real needs in our social system. After key themes emerging around access to healthy food being both a challenge and an opportunity to bring people from diverse cultural background together, we decided to continue our partnership with food waste non-profit Surplus to Purpose (see page 20). We also discovered that many of the key nexus points that were galvanising inclusion in our local communities (food & biodiversity projects) could be used in principle to inform our own internal diversity and inclusion practices and policies.

Season 2 of the Calderdale Stories project moves into the medium of podcasts, to gather key stakeholders in our Calderdale area together to deepen and explore of the themes we have captured thus far in our social mapping. Over the course of the next year, we are aiming to create talking circles to build on our questions, information elicited to date, and to find new and meaningful answers. There will be 4 podcasts bringing together several professionals sharing on the following topics:



**TUNE IN
FOR SEASON 2**



CALDERDALE
STORIES

- ◉ LEADERSHIP & RUNNING INCLUSIVE ENTERPRISING BUSINESSES & PROJECTS
- ◉ FOOD AND BETTER LOCAL SYSTEMS OF PRODUCTION & DISTRIBUTION
- ◉ BIODIVERSITY, HABITATS & FLOODING
- ◉ MENTAL HEALTH, OPPORTUNITIES & PROSPECTS

We are really excited to see what comes out of the next phase of this amazing project that is really helping us to listen, learn and create meaningful connections with our local community.



PARTNERS

SURPLUS TO PURPOSE



ADAM SMITH | CEO - SURPLUS TO PURPOSE

Q. You have evolved a lot over the pandemic, including re-naming your organisation. What was that journey like and where do you find yourselves now?

A. TRJFP entered liquidation in July 2021. **Surplus To Purpose** is a new organisation picking up the pieces from where TRJFP left off. However, our aim is to create meals from the surplus food, expand the social supermarket and feed more children in primary schools. SToP is now in a stable and strong position to grow exponentially and achieve our goal, to REALLY feed the world!

Q. How many tonnes of food did you guys divert over the pandemic?



A. “ We intercepted **1000 tons** in April 2020, the equivalent of what we had achieved through out the whole of 2019. This equates to **2.3 million meals.** ”

Q. So much of how you operate is connected to creating new social beliefs about excess food and access to food - what positive impacts have you seen in the communities that you operate in aside from access to food?

A. The social supermarket which allows people to build their own box has come about due to popular public demand. We created the space at their request, and it is growing weekly, with sales at 200% growth month by month. Not only does this allow us to prevent more surplus stock from becoming waste, but also allows us to support people struggling due to the cost crisis we're currently facing.

ADAM SMITH | CEO - SURPLUS TO PURPOSE

Q. At Equinox, we aspire to create positive impact but not reinventing the wheel but supporting amazing projects and people who are already making tangible systems change. Can you talk a little about how S2P disrupts the unsustainable food waste cycle? (inc carbon etc)

A. “ For every ton of food, we intercept – the equivalent of **2380 meals**, not only do we leave a **carbon negative footprint**, but we also ensure all the packing waste is dealt with responsibly, creating new circular economies. ”

We empower our volunteers, which indirectly, stops them from travelling to supermarkets, and reduces their food costs, and improves retention and the local community.

The overall impact of the project creates ripples further than we can ever measure. It is organic, and holistic in its approach, and this feeds back into our stakeholders and investors.

Q. What is on your horizon for the next 12 months and how can we support you?

A. September 2022, we will be providing up to 25% of food to a primary school in Manchester. This will make us the first supplier of such surplus produce to a state school in the world. This will not only improve the children's diets, but also save the school money, whilst having a positive impact on the planet.

To do this we need a warehouse, and the support from Equinox allows us to build the premises to supply as many schools as possible.

The donations of kombucha received from Equinox have also improved our offering to the public and increased footfall. Long may this continue.



PLANET

UNDERSTANDING OUR CARBON LIFECYCLE

In the second year of our B Corp certification, we wanted to take the foundational work we have done through our environmental management system and dive deeper into cradle to cradle supply chain.

Working with Climate Partner, we undertook a carbon lifecycle analysis of our bottle and our can kombucha product to look at each stage of its production and the associated carbon footprint. The results were interesting and not necessarily surprising in that the bulk of our carbon comes from the acquisition of ingredients like organic ginger and green tea from Asia. Whilst its unlikely that we will be able to find any UK based growers for these ingredients any time soon, the analysis did allow us to understand more about the difference in carbon between the recycled glass bottle we use (26.4% of the carbon footprint of each bottle) and the recycled aluminium can (17.1% of the carbon footprint for each can). Whilst in theory the use of aluminium has a lower carbon footprint, since

the onset of the pandemic, it has been increasingly difficult to obtain cans for our products and often those available come at a high cost of good and unrealistic minimum order quantities.

Moving forwards, we will be focusing on an emissions reductions strategy that reduces our overall carbon impact and footprint through partnering with UK based organisations who are working in the areas of organic, regenerative farming that promotes carbon sequestration in healthy soils as well as improved biodiversity.

Our existing community partner Surplus to Purpose, directly contribute towards the reduction in carbon emissions caused by excess food going to landfill (see page 21) and we hope to be partnering with Soil Heroes in the next 12 months to further offset our carbon and regenerate UK biodiversity.

MEASURE, MANAGE, ENGAGE

On a monthly basis we measure all our scope 1, 2 and multiple scope 3 carbon emissions. This allows us to keep track of the impact of introducing new manufacturing processes and equipment as well as facilitating regular dialogues with our staff to reduce energy usage and ensure our waste is being managed appropriately.

Since our last Impact report, we saw a reduction in our scope 2 emissions by 20 tonnes of carbon relating to lower use of electricity. This is due to a combination of lowering production over the pandemic lockdowns as well as the fact we moved to 100% renewable energy providers across both of our sites in early 2021.

We also reduced the carbon relating to scope 3 business travel emissions by c 2 tonnes (again due to restricted movement). Due to reduced ordering of key materials and components during the year, we reduced our scope 3 material procurement emissions across almost every key category by c 50 tonnes. The only component we ordered

more of in this period was our recycled glass due to supply chain shortages and our risk mitigation strategy of holding higher stock levels that we would have otherwise done. This resulted in an increase of this product emission category of 161 tonnes.

Overall when everything is balanced, we achieved a net increase in our carbon emissions of c104 tonnes, which given we expanded our brewery with a new fermentation unit during this period is a significant win.

Moving into 2022, we will be working with our teams to look at energy efficiency projects across our manufacturing sites as well as working with our landlord in our brewery, to increase the amount of energy we can drawn down from the solar panels on that site.



BEING A LISTENING AND LEARNING ORGANISATION



GENEVIEVE BOAST | OPERATIONS DIRECTOR

Looking back on the last 12 months, there are many things that stick out for me in terms of major achievements.

“ From our incredibly successful Crowdfunding raise, to our ability to continue to support Surplus to Purpose during a time when it mattered most to the future sustainability of their organisation, we have stuck to our values

even in the face of multiple market pressures. This is something that we are really proud to be able to say and for me, indicates that we are embodying the values that we talk about in our mission and strategy. ”

Of course staying focussed on what really matters, even whilst the world radically changes around us is not an easy task.

WHEN WE STARTED OUT ON OUR B CORP JOURNEY BACK IN 2019, ONE OF THE KEY THINGS WE WANTED TO EMBED IN OUR WAY OF WORKING AND CULTURE WAS THE ABILITY TO BE A ‘LISTENING ORGANISATION’.

In the last 12 months, I would say that as well as engaging our stakeholders, listening to our local community and working closely with our employees to develop the future shape of the business, we have also taken the time to reflect and learn from what we are hearing.

I BELIEVE CONFUCIUS SAID “TO KNOW AND NOT TO DO, IS NOT TO KNOW AT ALL.”

GENEVIEVE BOAST | OPERATIONS DIRECTOR

To be able to integrate the learnings of the last year and act on the feedback we are being given from our stakeholders in no small task but we have made the space and time continue our consumer and employee engagement activities, work with our partners to understand how we can have a greater impact together and prioritise our community investment projects whilst simultaneously driving efficiencies and cost reductions across our business operations.

In the coming year, we have some very exciting projects on the horizon that will help us to further develop our impact strategy, involve our staff at an even deeper level in our B Corp mission and way of working and integrate sustainable principles into every aspect of our manufacturing processes and value chain.

Our Calderdale Stories diversity and inclusion project is moving into Season 2 where we will integrate the learnings from our local community ecosystem and redefine what being an inclusive UK company in West Yorkshire really means.

After multiple trials with eco materials and coated paper –

“ we are aiming to switch our current PET plastic labels to **100% recycled plastic** in autumn 2022 which means we are moving towards eradicating pristine, single use plastics from our products and in our supply chain. **It’s another step in the right direction!** ”

And we are planning on developing new product ranges that will allow us to expand our reach and impact into new customer markets and regional territories, bringing the gift of organic, healthy drinks to ‘Well Beings’ everywhere!

It’s a challenging and exciting time to be doing business as a B Corp and we are certainly looking forwards to the opportunities we have on the horizon.



EQUINOX

· ORGANIC ·

DRINKS FOR WELL BEINGS



Flower of Life Ltd
Equinox Kombucha Impact Report
2021-2022