

our impact story



2021/22 edition

what's comin' up

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The quest was simple: create an extraordinary yoghurt with an unbeatable taste...

hello & welcome

so here it is, our 21/22 impact story, what a year it's been!

The best part of my job is working with the amazing Collective team, who continually inspire with what they are achieving across our three impact pillars of People, Product and Planet, and despite the unprecedented challenges that have and continue to surround us in the market. I'm so proud of everything we are doing to look after our team, with our evolved approach to career development and learning being a particular highlight this year, as well as the volunteering hours we've put in across multiple causes in our community.

We continue to create exciting eating experiences for all the family, our amazing products picking up yet more Great Taste Awards whilst we're reducing sugar, and the game changing innovation we've launched

has seen even more people join The Collective – seeing all the consumer love makes all the hard work worthwhile! All of this, and we're still striving for more.

I believe our business is, and must be, a force for good; we're proudly a B Corp and campaigners for The Better Business Act and have made a pledge to be carbon neutral by 2025. While the world around us remains challenging I am so proud of the way we are navigating it aligned to B Corp and our business values. It is not easy and we will continue to challenge ourselves to make decisions and take actions that are better for people and planet.

We're up for the journey ahead knowing there is plenty more to do, and what we have achieved this year is getting us one step closer and something to be really proud of. Enjoy the read and thanks for being part of our journey.





how we began

the quest was simple... create an extraordinary yoghurt with an unbeatable taste, no bull!

Being well travelled chefs with a couple of successful food businesses already notched on their belts, Ofer and Angus were not shy of the hard yakka ahead. Their sheer determination to achieve 'perfection' helped provide the fuel, their passion provided the key, their tenacity and skill delivered the answer.

Kiwis caught on fast and the resulting yoghurt rapidly found new homes across the land. In fact, within 10 months The Collective was New Zealand's best selling gourmet yoghurt. Overnight sensation? You betcha!

Now, not being ones to keep a good thing to themselves, it soon dawned on Ofer and Angus that the whole world deserved to be eating this yoghurt too. Just how hard could it be? As it turned out, darn hard! Until they joined forces with Mike Hodgson and Amelia Harvey, a couple of savvy 'Brits' who knew a thing or two about the food industry in the UK.

So here we are now, sitting in fridges across the globe, all thanks to the folks out there that've shared The Collective's vision and helped spread the word.

we are The Collective

The dairy shaker-uppers. The just-gowith-your-gut-ers! We're a community of collaborators, co-conspirators and all kinds of other creative peeps churning out new ideas good enough to eat. Stuff that's not just the same old "good for you" goop, but straight up good for your mind, gut 'n' soul. **Because whilst others are happy** making plain old factory bland, we make lip-smackin'ly moreish yoghurt. Not just sticking another boring pot on shelf, but leading

a taste revolution. Not-so-everyday dairy made to make people look, think 'n' lick the lid. Twice. We exist to curate and mix the most exciting and beautiful things from dairy, plants and people and put a lid on it. Never boring, no bull!

we've come a long way...

















what we stand for

Caring for all of our communities

at The Collective we believe that it's our responsibility to be a force for good and to create meaningful positive change along the way.

Continuous improvement is at our heart – it's in our DNA. We will continue to strive towards being better for our people and our planet in the following ways:

continuous improvement is at our heart

Creating ridiculously tasty products with the lowest possible impact on the planet

Taking responsibility for our impact on the planet





Caring for all of our communities



who we are

we are more than a team. we are The Collective.

We're all about the people who help us bring our ridiculously tasty products to life and the people who choose to put them in their fridge. From the millions of yoghurt eaters out there, to those in the factory making our goods, our suppliers, our retail partners, our community and our amazing team, we have a responsibility to do right by them all.

That's why we work hard to assess and review how we can best support our network of people and always put them at the heart of what we do.



team



factory workers



yoghurt lovers



influencers



brand ambassadors



we look after our team

it's our responsibility to be a force for good and to ensure The Collective is a fun, fulfilling and rewarding place to work.

We commit to being honest and open with each other and have regular check-ins (through surveys and chats) to listen, understand how we're doing and how we can be better. We commit to paying salaries that are fair when compared to the market, and really competitive total packages that include private health care, a health cash plan, enhanced pension contributions, access to a bonus scheme, sick pay and enhanced support for new parents.

Our sparkly employee handbook is kept regularly updated so everyone knows where to find everything too. There's some amazing work perks that we spoil our team with too, scroll to the next page to check them out!

employee satisfaction

- 82% Sense of belonging
- **17%** Engagement
- 82% Work/life balance
- 93% Understanding of individual contribution

employee benefits

we are a team of dairy shaker-uppers looking to change the category forever!

We want to make this a place that is as fun, fulfilling and rewarding as possible. This year we have added a few more 'cherries' on the top of our benefits package.



Free independent **financial advice** sessions



More flexibility in working patterns with more part-time agreements



Free breakfast every Tuesday



Listening to our team through engagement surveys



Monthly focus areas highlighting everything we have to offer



Trained an additional **mental health** champion to **support** our team



Insights **inclusion training** for the whole team



Bringing a sense a calm with a free **weekly yoga class**



Embedded our new flexible, hybrid working after Covid



Free drinks every Thursday

career development

we've got big ambitions to change the face of dairy and we're growing and nurturing our team along the way to do this.

Career development has been a real focus for us this year and how we can help everyone's individual learning journey and experiences.



W S

We have partnered with the 'Young Foodies' this year to offer an all inclusive learning package to our team.

We invited **expert speakers** to come in and speak to us, to help us think outside the box and learn from others.

We had fun creating our own career vision boards to think about all our career possibilities!



our values

our values have been born, not out of a business jargon book, but from the very foundations of the business.

They have evolved as we've grown and are at the heart of how we work together. Culture can't be imposed, we create it. Our values guide the behaviours we believe have got us to where we are now and will carry us forward as we continue to grow.

celebrating our team

our team are a bunch of talented, yoghurt-loving and inspiring people who love what they do.

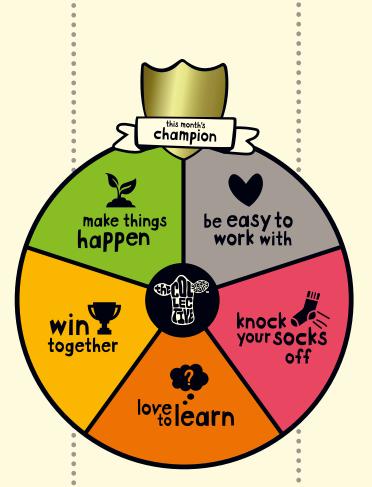
Every month we celebrate everyone's hard work with our wheel of praise, nominating our team members who have blown us away with living and breathing our values! The winner gets to enjoy a delicious meal or vouchers to the value of £200!



"Dimple for so many amazing recipes produced in the kitchen."



"Everyone involved designing and making some yummy and personalised yogs!"



me leaving the office at 4.59pm on a friday

Yog
ideaway

"Sarah and Gaby for getting stuck in with my TikToks!"



"Ted and Fran for the most amazing send out!"

helpin' our community

we are really proud of our volunteering scheme.

We have continued to work alongside our communities and formed partnerships with charities that align with our values.

We are especially proud of our volunteering scheme where employees have two paid days a year to give their time to causes close to their heart.

From team volunteering days helping on the farm at <u>Grow</u>, to mentoring young people through the <u>Princes</u> <u>Trust</u>, or helping children to read through <u>Bookmark</u>, our team love to give back to the community.

We have also supported our communities this year by donating any

volunteering at Grow



surplus stock. This year we have worked with **FareShare** & **City Harvest** to donate 43,596 servings of yogs!







charities we love and support:





Prince's Trust







consumer love

we may be a tad biased but we think we've got the best fans in the world!

We love chattin' to all our lovely yoghurt eaters out there through email, social media and even the trusty snail mail. Consumer care is very important here at The Collective and we continue to personally respond to every single person that gets in touch.

incredibly delicious.

If you to know, I have just tried this product for the first time... wow it's an absolute game changer! incredibly delicious.

bravo to The Collective!

fantastic and such a pleasure to try 'an alternative' that is so enjoyable

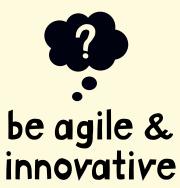
"i disliked yoghurt my whole life until i tried these and they are just amazing!" I have ever tasted! I have only recently discovered and am now smashing at least one tub of this a week!!"



how we work with our retail partners



- We strive to be the most collaborative group of people to work with in the business.
- We run brand days with our retailers every year to strengthen our relationships, our knowledge of the category and, together, build exciting plans for our consumers.
- We make sure our email signatures always have faces, not just names! Also, we will always prefer a chat on the phone, rather than yet *another* long email chain.



- We are known for being super speedy & reactive...especially with our retail partners when their strategies evolve.
- We have responded to the HFSS legislation & are proud to say 96% of our dairy range is HFSS compliant meaning more consumers can enjoy our delicious yogs, and know it's a healthy choice.
- We are the pioneers in creating bespoke and exciting innovation for retailers give us a challenge and we'll take it on!



be collaborative & forward-thinking

- We always have an eye on the future & what's next for the category.
- We have collaborated with our partners to cut sugar consumption within the kids category and are proud to have launched a no added sugar extension to our suckies range.
- We also continue to work together to achieve our partner's Net Zero goals ... we even launched the UK's FIRST Carbon Neutral yoghurt across the UK!





Caring for all of our communities



leading a taste revolution



here at The Collective, we're a bunch of foodies obsessed with delivering lip-smackin'ly tasty yoghurt and creating exciting eating experiences for all the family.

Our product team are the best in the business, leveraging an innovation hub in New Zealand where our chef co-founder is still in the development kitchen whipping up a storm! We use only the highest quality ingredients all of which you can usually find in your own kitchen at home - you'll never find any artificial or hard to pronounce ingredients in our goods. We are known as the dairy shaker-uppers and will continue to deliver

the best tasting NPD in order to meet the needs of our consumers. And talking of taste...throughout our yoghurt-y journey, we've snapped up many Great Taste awards and have even been named a 'Great Taste Producer'. We're mighty chuffed to be recognised for delivering ridiculously tasty yoghurts and promise to continue doing so for the future!

We also know sugar is a big deal and we're tackling it head on. The sugar sales weighted average (SWA) of our full product portfolio is already below the Public Health England (PHE) targets for yoghurts and fermented dairy drinks (aka our kefir) but we're doing more. We're committed to continuously reducing the sugar in our products, without using artificial sweeteners (yuk!) or compromising on taste.



simply the best

I've been trying out many kinds of yoghurts throughout the years and I can tell you, these are the best!





Mark and Dimple in our UK launch lab, mixin' up some ridiculously tasty yog!

game changing innovation launches

our suckies are proudly the UK's first and fastest growing kids yoghurt in a pouch, so we're excited to be bringing even more innovation to the market through not one, but two new launches.

Made from a unique blend of oats and coconut, this deliciously creamy dairy free yog for kids caters to the ever-growing flexitarian population or those who need to exclude dairy from their diet, with absolutely no compromise on taste or quality! Coming in 3 firm-favourite flavours and under 6g sugar per portion with added calcium, vitamin D & B12, this is a ridiculously tasty snack that kids won't want to stop eating.





Another major milestone has been reached in our mission to provide yoghurts that parents trust and kids love to eat by providing a no added sugar option of Suckies in 3 exciting flavour combos. With sugar only coming from the milk and real fruit puree, each flavour is under 6g per portion. These tasty pouches have also been given another boost with added vitamin D to help support kid's immune systems.

















DAIRY: YOGHURT

The Grocer's Top Launch of the Year for the Dairy: Yoghurts Category 2021



Dairy free suckies was awarded Silver at the 'Lunch!' innovation challenge



DAIRY: YOGHURT

Dairy free suckies was awarded The Grocer's Top Launch of the Year for the Dairy: Yoghurts Category 2022



we're seein' stars



we are *chuffed* to see that we received Great Taste Awards across 3 products in 2022!

That brings our total number of Great Taste awards to a whopping 35 since we started entering in 2011, with 42 stars in total! This is why we are also known as a 'Great Taste Producer'.

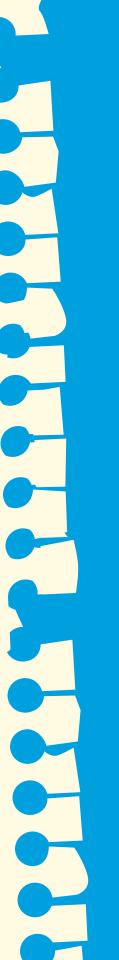
Our product team are always working hard on making our products ridiculously tasty and never compromising on quality.

But wait, hold the applause because that's not all! Our blended yoghurt range (which was the UK's 1st carbon neutral dairy yoghurt) won The Grocer's Top Launch of the Year for the Dairy: Yoghurts Category 2021.

And not only that, our dairy free suckies were awarded The Grocer's Top Launch of the Year for the Dairy: Yoghurts Category 2022 and Silver at the 'Lunch!' innovation challenge!



We believe everyone deserves to have great tasting yoghurt, not just goop in a tub.



show me the rail collower sugar

96% of our dairy range is HFSS compliant *wow*



Not even our top seller is exempt from sugar reduction. We achieved 6% reduction with no compromise to taste! (June 22)



PHE good choice accreditation on all dairy kid's pouches and family blended yoghurt 450g. This states sugar must be below 10.8g/100g, I think its safe to say we are far from this limit!



Introducin' 2 new ranges of kids products – no added sugar suckies and dairy-free suckies!



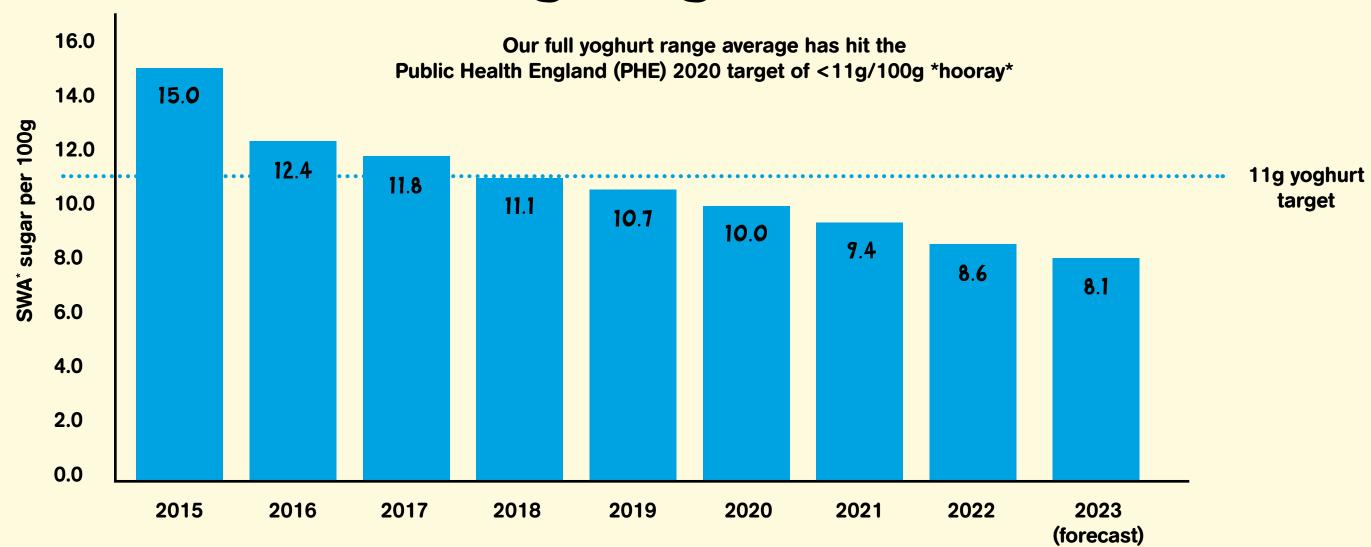
Suckies portion size decrease has reduced the amount of calories and sugar consumed with every pouch based off nutrionist recommendation. That's saving of 1 tonne of sugar in 2022 (Sept 22).

sugar by range

Product range	SWA* sugar (g/100g) Jar	1 22 - Dec 22
no added sugar suckies 90g 6.2		
kefir drinks 500ml		6.4
dairy free suckies 85g		6.7
straight up 450g/900g		6.8
dairy free gourmet 400g/135g		6.9
kefir yoghurts 400g/135g		7.5
suckies 90g		7.9
blended 450g		8.5
gourmet 450g/150g		10.6

*SWA = Sales Weighetd Average

tackling sugar head on



42% reduction of sugar in our yogs from 2015 - 2022. All achieved without the use of any artificial sweeteners and without compromising on taste!



recipe change

award winnin' taste



strivin' for better

at The Collective we don't settle for "good" or "OK" and we always strive for better and listen to consumer feedback.

In Jan 2022 we relaunched our dairy free range with a new look and improved recipe to make sure it was undoubtedly the best tasting yoghurt alternative you can dig a spoon into.

Our journey to improve the sustainability and recyclability of our packaging also progressed as we took the black lids off our Kefir Yoghurt tubs and replaced them with an easy to recycle clear plastic lid. We didn't stop there, we also made the change to use 100%

recycled PET (rPET) plastic and recycled cardboard rather than virgin materials.

We previously told you about the sugar reduction in our Gourmet yoghurt in the last report, and we have kept an eye on the feedback to ensure it is still hitting the mark... I think it is fair to say we cracked it, as we continue to rack up 5 star reviews online and heart warming emails through customer care. Thank you!



delicious

Creamy yoghurt with a raspberry sauce that is tangy. Lovely natural taste that is not tooo sweet.

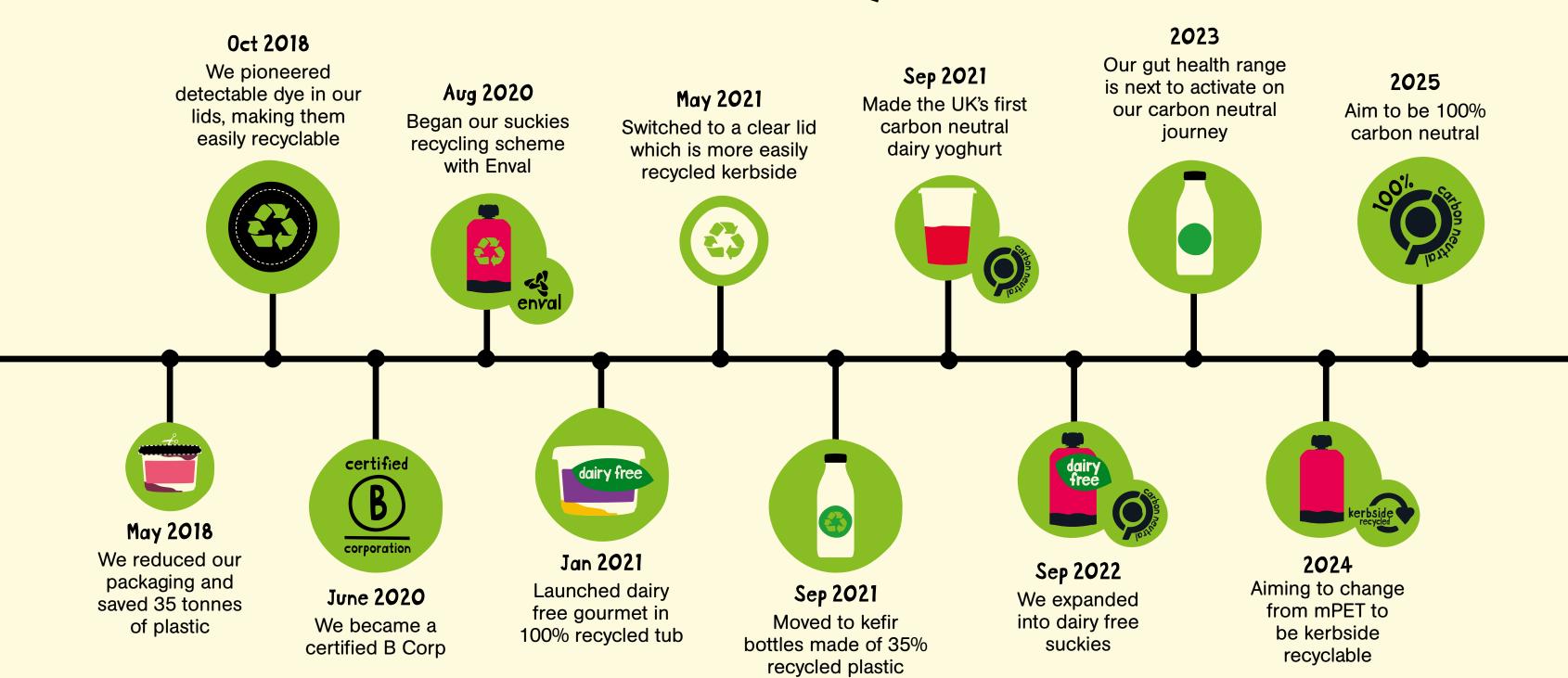




Taking responsibility for our impact on the planet



we're on a journey to do better...



carbon neutral by 2025 *eek!*

this is not an easy thing to do, but we have now made the bold step to commit to being "carbon neutral by 2025" (eek, we said it again!).

To make this happen we've teamed up with Climate Partner to make sure we've looked at every single stage of our supply chain (little 'n' large!). They're keeping us on track - from the cows on the farm, to the transport all the way to the shops.

From this information, we worked out our footprint plus an extra 10%, just in case! So we knew what we were tackling.

Our blended dairy yogs were the first product in the dairy category to be carbon neutral which is an achievement we are super proud of. On top of that our delicious dairy free range is also completely carbon neutral too.

Climate Partner have helped us find amazing projects, both in the UK and worldwide, who work to remove the emissions these products create from the atmosphere. Not only can you track our progress by following the QR codes to the right, but you can also take a look on the next page at the projects we chose and how they are progressing!

teaming up with

ClimatePartner

Did you know

Dairy Free gourmet yoghurt 400g has a **footprint of 0.73 KGCO2E** per pot.

What does carbon neutral by 2025 really mean?

It means we are reducing or offsetting all greenhouse gas emissions associated with our-end to-end business!



• we've offset

935,804 kg

• of CO2



That's the same amount of carbon it would take to fly to Auckland and back 140 times!

Both dairy free yogs and our blended range are

carbon neutral

We're committed to making all our products carbon neutral by 2025.

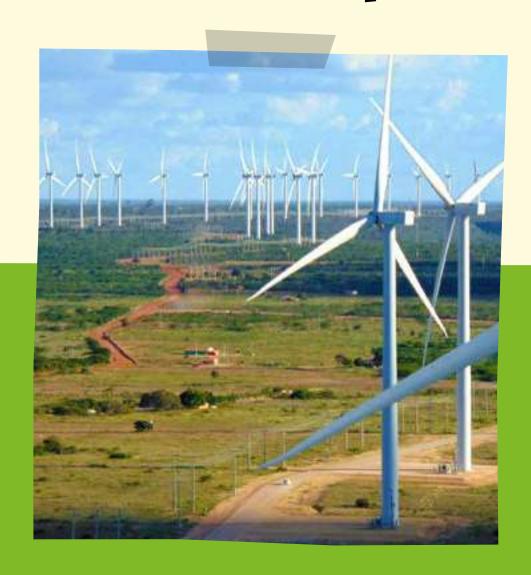


<u>Blended Range</u>



Dairy-Free Range

projects we're supportin'







wind energy Northeast Brazil

Click **here** to find out more

clean drinking water
Odisha India

Click here to find out more

woodland
International and UK

Click here to find out more

packaging round up





gourmet



multi-packs





made from

Tub & Lid: PP Film Seal: PET Tub & Lid: 100% recycled PE Film Seal: PET Pouch: Complex laminate
Spout & Cap: HDPE

Box: Card

Tub: 100% recycled PET

Sleeve: Recycled card

Lid: PP Film Seal: PET Bottle: 35% recycled PET

Cap: LDPE

how they're recycled



























carbon neutral











We are always striving to reduce the impact that our packaging has on the planet, that's why we are planning to reduce the amount of virgin plastic across all our ranges and working with industry bodies to find better solutions for our films and pouches. Come back next year to see how we've progressed!





where we get our milk



100% of our dairy and dairy free yoghurt is now made in the UK

Last year we said we planned to move from 84% to 99% made in the UK using British milk and we did it! Our dairy yoghurts are now 100% UK manufactured and additionally we have launched our dairy free range which is also 100% UK manufactured using British oats.

We continue to support local independent producers in the West Country, Yorkshire and North Wales, some of which are in rural areas which can have limited job opportunities, so we consolidated our production with those great teams. Additionally, when we wanted to give people the choice of great dairy

free yoghurts as well as dairy, we set up a dedicated dairy free facility in Chester, right on the English/ Welsh border, further supporting UK manufacturing.

100% of our milk is under The Red Tractor scheme

Last year we achieved 84% but this year have made steps to achieve our goal of 100%. The Red Tractor scheme ensures the welfare of the herd and the protection of the environment to nationally agreed levels of best agricultural practice, as well as the quality of our milk. After all it is our number one ingredient!

proud to be a B Corp *blush*

wow, we have now been officially a B Corp for over two years and what a few years it's been!

We have moved from 87.2 to 89.3 in the last year (that's unofficial, but we counted very carefully) by all collectively investing even more in our charity commitments and support for our team and UK suppliers.

As a brand, we are committed to supporting the community, driving awareness of BCorp and everything it stands for by featuring it in our marketing campaigns and talking about it through all our consumer communication channels. Closely aligned to the values of B Corp, we

have also become signatories to the "Better Business Act".

The Better Business Act will transform the way we do business, so that every single company in the UK, whether big or small, takes ownership of its social and environmental impact. Surprisingly this is not already a legal requirement but we believe it should be! Read more about how we are helping to make this happen at:

www.betterbusinessact.org

Certified





Corporation

View our public B Corp profile here: https://www.bcorporation.net/en-us/find-a-b-corp/company/epicurean-dairy-uk-ltd-brand-is-the-collective-uk

our overall B Impact score

89.3

summary	company score
governance	13.9/20
workers	30.4/40
community	18.0/40
environment	22.9 /45
customers	3.9/5

When we first certified in **2020**, our score was **80.3 points**. We're working hard every year to keep improving!



Our GM, Sarah, meeting Queen of Retail and co-Chair of the Better Business Act campaign, Mary Portas.



The Better Business Act would amend Section 172 of the Companies Act 2006 so that companies are legally obligated to operate in a manner that benefits their stakeholders, including workers, customers, communities and the environment, while seeking to deliver profits for shareholders. The Better Business Act will transform the way we do business, so that every single company in the UK, whether big or small, takes ownership of its social and environmental impact.





the better business act

two of The Collective herd, Gary Lake and Sarah Smart headed to Westminster for Better Business Day.

In support of the Better Business Act we're calling on MPs for an amendment to Section 172 of the Companies Act, petitioning for change to ensure UK companies align their interests with those of wider society and our planet.

We believe that the Better Business Act is a unique opportunity to demonstrate UK leadership on the global stage – creating a competitive advantage, driving innovation, accelerating progress to net zero, and aligning with the government's ambition to build back better.

and there you have it!

a straight up, no bull snapshot of where we're at, where we're going and where we'd like to get to in the future.

we know we have a big journey ahead of us and by working collectively together we can have the biggest impact.

thank you to everyone at The Collective who is joining us on this journey to do better for people, planet and product.

we are better together!

We would love your feedback on what you'd like to see from us in the future. You can get in touch with us via hello@thecollectivedairy.com

You can also follow us across our social channels to find out how we are progressing on hitting our targets – find us on:



