

**Butternut
Box**

Impact Report

2022

Certified



Corporation

Here at Butternut, we believe that sustainability goes far beyond just throwing our rubbish in the right bin or switching the lights off (as important as those are, of course).

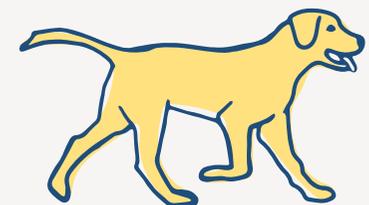
In fact, sustainability, for us, is about finding ways to make the most positive and long-lasting impact across all areas of our business.

We believe that change needs to come from within, and although we are the first to admit that it won't be easy, we want to lead the way in making a positive impact. After all, we're a team who loves firsts. First fresh dog food, first purpose built factory, and now, our very first impact report. So grab a cuppa, maybe some biscuits (one for you, one for your dog), and let's get started...



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Our Purpose

“We exist to deliver health and happiness to dogs and their humans all over the world”



Dogs make the world a better place.

They provide us with companionship, comfort, laughter and love. That's a lot of responsibility, and we owe them a lot in return.

Starting with making sure they are fed the best food there is, that their coats are shiny and their poops are tip-top too (that's a win for both parties). We really really really believe that **dogs deserve better.**

So, with this in mind, we began cooking a new type of food - **fresh** - for dogs back in 2016. Why? Because as far as we're concerned, it doesn't get much better in terms of **quality, nutrition, taste and tail-wagging happiness.** When it comes to dog food, fresh is a new, innovative category all on its own. It's cooked like you would a meal for yourself - gently, locking in all the good stuff from our **human-quality ingredients.**

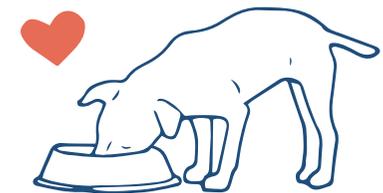
At Butternut, our **values** are central to how we behave as a business - and as individuals too. They guide us every step of the way as we grow, so that we can continue to be proud of the company we started.

Dedicated and determined
Open and honest
Genuine care
Strive for better.

all for the love of DOGS

That last one really is key - we love dogs. Love 'em. They get a solid 10/10 from us. But we also love nature.

The two are intrinsically linked, and therefore for us to be the best for dogs, we've got to be doing our best for the planet too.



2022: A year in review

In 2022 we did some pretty amazing stuff. But the thing that we're probably most proud of, was all the brilliant stuff we did to make dogs, humans and the planet healthier and happier. **This is our purpose.**

Here's some of our proudest positive-impact moments of 2022



118,358
physical meals
donated to dogs
in need



0.39 kg
CO₂e/kg product
the average carbon
emissions associated
with cooking our meals*
a 7% reduction vs 2021
*Scopes 1&2



368
new squad members
across four markets



82.6
our first
B Corp score



14
recipe carbon
footprints measured



**1009
HOURS**
hours of
volunteering



80%
employee
satisfaction
score



**1320
HOURS**
hours of in-house
sustainability
training



115
wellbeing events
for our squad



**2 CSR
AWARDS**
applied for (& won)



100%
of our electricity
from renewable
sources



8
factory process
improvements



over
£122,000
donated to charity



271,000L
of water saved



Four product export
routes optimised
- with an average
saving of over **500
miles** per journey.



Launched our **lowest
carbon meals** to date
- Plant Get Enough,
Ready Steady Veggie
and our meals
with quinoa and
pearl barley.

What a year.



B-eing a force for good.

2022 was a B-ig year for us as we were certified as one of the first 1000 B Corps in the UK (a community that is in the top 0.3% of UK businesses) in September, with a score of 82.6.

As a certified **B Corp**, we're committed to driving positive change for people, planet and dogs, everywhere (you'll hear this a lot, it's a real theme). We're also continually striving for better in the pet food and manufacturing industry too, as we believe we can drive change over and above our own.

Certified



Corporation

Going after the B Corp certification was a long process, and we learnt a lot about how we operate, what we do really well and what we could do better. Two years, one factory, three new countries and over 500 employees later, we finally achieved the standard. And now the real work begins.



What is a B Corp?

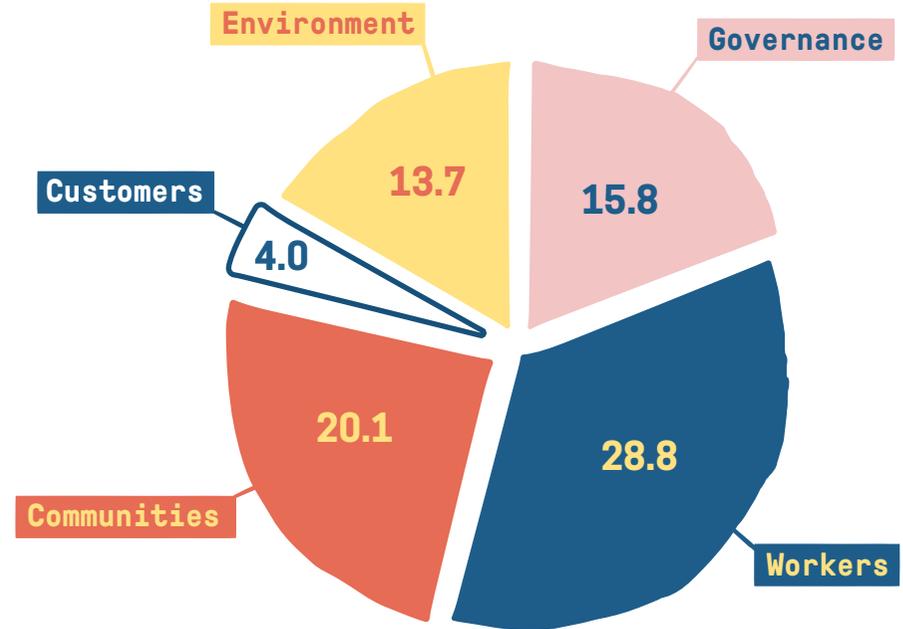
“Certified B Corporations are businesses that meet the highest standards of verified social and environmental performance, public transparency, and legal accountability to balance profit and purpose. B Corps are accelerating a global culture shift to redefine success in business and build a more inclusive and sustainable economy.”

B Corporation



Our score: 82.6

(split across the following)



Becoming a B Corp is more than just the certification.

For us, it's the connection with other like-minded, pioneering businesses, with a community striving for a shared goal and the enabling of collaboration and collective action. The B Corp framework allows us to tangibly be better, to understand where we could - and should - focus our efforts and works as an engagement tool to get the whole team involved.

We're really proud to be a B Corp, and whilst we have a big journey ahead, we're taking stock of how far we've come already. Here are some of the improvements and positive practices we've implemented that helped us to achieve B Corp status.

One day a year for every employee to **give back** through our volunteering programme;

Enhanced maternity, paternity & baby-loss leave;

Mapped the carbon emissions associated with each of our recipes and used this to influence changes and new meals;

Local hiring - 90% of our factory workforce is within a 30 mile radius, and 50% are within 10 miles;

Rolled out **sustainability training** to every employee - covering over 1000 hours of specific sustainability training in 2022;

Implemented policies and procedures including anti-bribery, environmental purchasing and a **supplier code of conduct.**

And so many more. We've dotted these throughout this report and you can read all about our results via the B Corp directory **here.**

Between now and our recertification in 2025, we're aiming to build on all of these areas, but with a particular focus on the **environment**, as this is where we know we need to improve the most. In 2023, we're focussing on some key projects to do just this, which you can read about in What's next.



Positive impact

What does 'positive impact' mean to us?



Positive impact reaches every part of our business, and far, far beyond.

we're committed to leaving the world happier & healthier than we found it

We categorise our efforts into three focus areas. These are: Environmental Sustainability, Charity and our Squad. Then within each, we split our efforts again. We launched this approach in 2022 and we've had a huge year of successes. If you missed it, scoot back to [page 6](#) to recap.



Environmental sustainability

Environmental Sustainability encompasses and impacts everything on earth (literally).

We built Rudie's Kitchen in 2021, and from then on we were **directly responsible** for our impact. Equally, this came with the ability to **influence** how we reduce this impact in a concerted, thoughtful way.

We **measured our entire impact** ranging from our meal carbon emissions, power usage, waste, water, impact on air quality and noise, packaging and everything we do in the supply chain. From there, we started to understand how we could manage and monitor this over time.

Over the next few pages, we're going to bring you along with some of the projects and progress we've been working on, and those that we need to do more on. To make this as easy to follow as possible, we've split this into four main focuses:



Our carbon footprint



Understanding our carbon footprint is how we measure our impact on the planet.

We believe it's the most accurate and universal measure of environmental footprint.

You can't improve what you don't know, so in 2022 we took action to measure our full carbon footprint at both a company level across all scopes, as well as a full life cycle assessment of all our meals.

Understanding our carbon footprint combined with our expected "business as usual" forecast and process improvements let us assess our environmental impact and this in turn, let us set meaningful and achievable targets in the future and a roadmap to get there.

Our business footprint

To measure our full carbon footprint across our business, we measured across all three scopes:

Scope 1

Covered how we cook our meals

Scope 1 emissions

Just over 5% coming from the gas we use to generate the steam to cook our meals.

Scope 2

Covered how we power our factory

Scope 2 emissions

Our choice to purchase 100% renewable electricity means that our Scope 2 emissions are 0, under the market based emissions factor.

Scope 3

Well, that covered everything from the ingredients we make the dog food with, all of our events and logistics spend, our team's commute and business travel, our capital investments (we did build a factory after all) and all of our waste and water too.

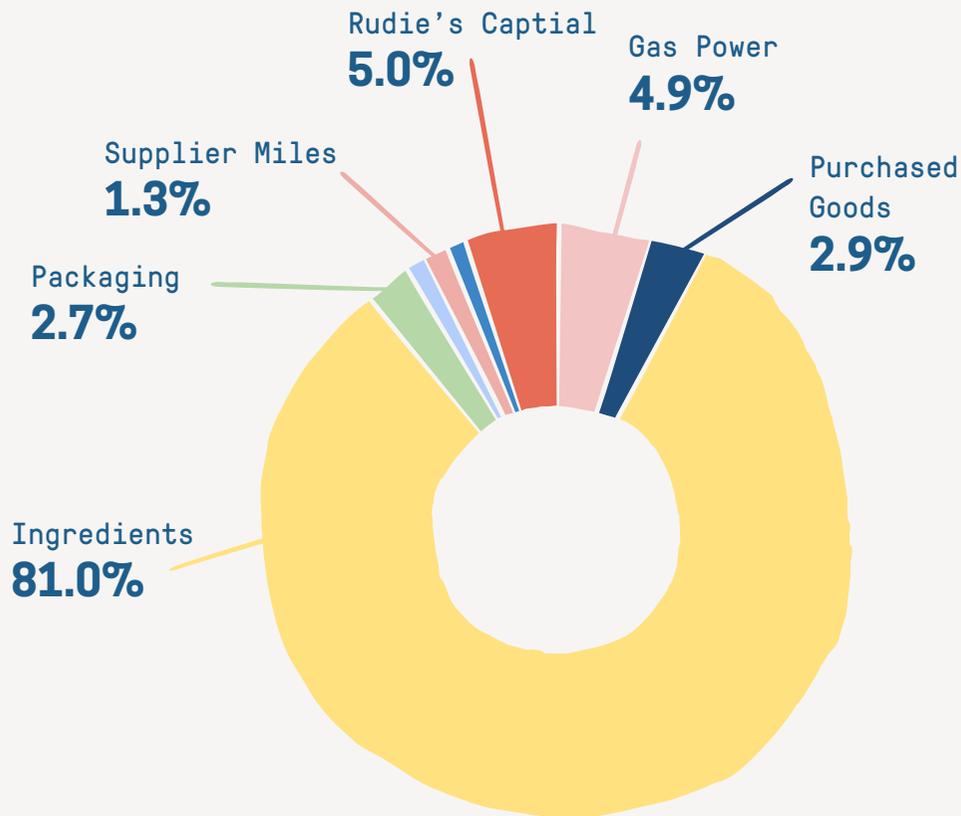
Scope 3 emissions

Like many physical-product businesses, this made up the largest proportion of our company footprint at over 90% of our total emissions.

Where possible we use activity data, however there are some categories that we had to use a spend-based approach, all in alignment with the GHG Protocol.

Carbon footprint by activity

Breaking this down to an activity level, the two highest ongoing contributors to the impact we generate on the planet are our ingredients and the gas we use to cook our meals.



Ingredients

Our ingredients make up the largest proportion of our carbon footprint. Over 80% of this comes from the meat we use, with beef being the highest carbon emitter.

While we will be working hard towards reducing our environmental impact through working with our suppliers, introducing new low carbon recipes and sourcing as locally as we can, we will never compromise on quality or our thorough food safety standards. That's why all of our recipes are taste-tested, nutritionally complete and of the highest quality. This is what sets us apart.

Gas

Although our energy use is a much smaller proportion of our footprint overall, in May 2022 we entered into a Climate Change Agreement with the Environment Agency focused on reducing our energy use and carbon dioxide emissions that resulted in us achieving a 2% reduction in our emissions per tonne of product between May and December 2022 and we will work towards further reductions in the future.

Our product footprint

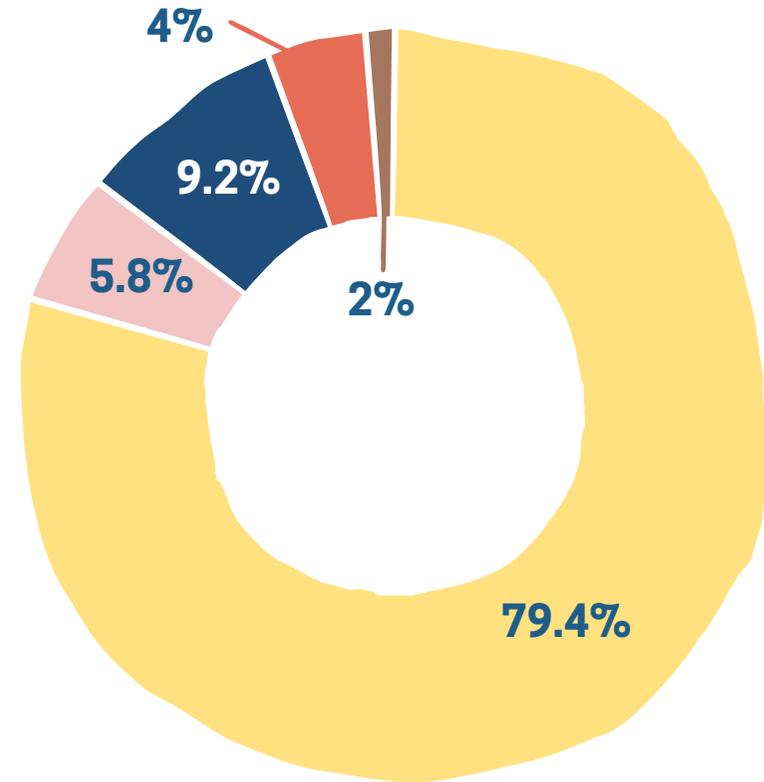
Our meals are what we do. It's who we are and what we have the most control over. However, like all food manufacturing businesses, they also have the highest environmental impact of any part of our business.

We began mapping our product carbon footprints, or life cycle assessments (LCAs), at the end of 2021, and have now calculated them for everything we make. This means we can look at our impact **not only on a product by product basis, but across our entire range.**

We use these LCAs to support business strategy and direction, ingredient research and meal development, product and process designs, education and training, and more recently, our plant based and vegetarian "low carbon" range.

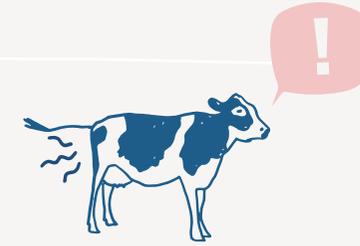
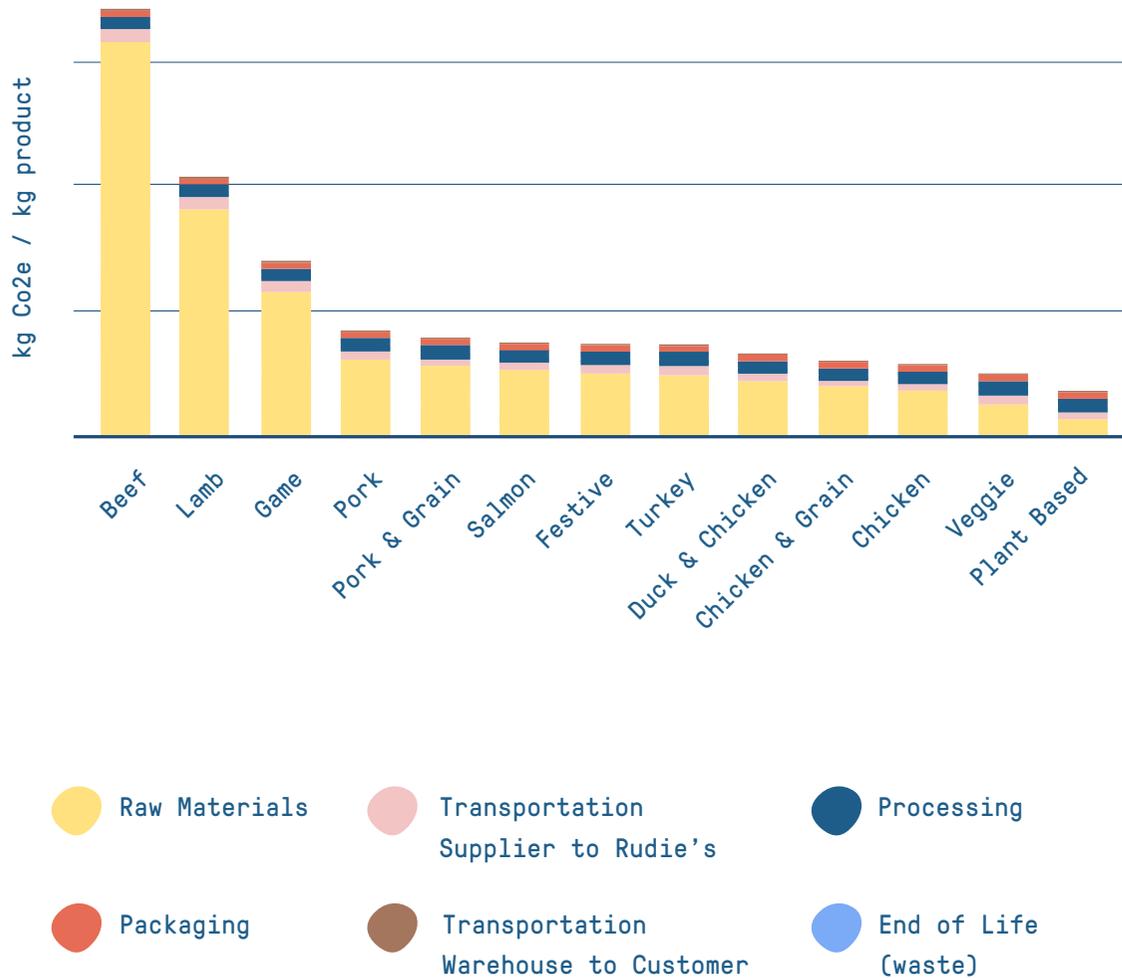
As we grow as a business, it's important to us that we report on our impact - both to help us work towards reducing our footprint, and give ownership to our customers to make sustainable decisions that little bit easier.

Carbon footprint across all our products combined



- Raw Materials
- Transportation Supplier to Rudie's
- Processing
- Packaging
- Transportation Warehouse to Customer
- End of Life (waste)

Carbon footprint by recipe



As expected given the high carbon emissions associated with red meat, at a single product level, “Beef It Up” was our highest carbon emitter - the **cows themselves** making up 90% of the ingredient-associated emissions.

And for the same reason this was followed by our lamb and game meals.

Our plant based meal Plant Get Enough followed by our vegetarian meal Ready Steady Veggie and our recipes containing chicken had the lowest carbon footprints.

While this was all expected, this is the first time we have been able to put figures to this assumption.

We report on our carbon emissions every four weeks as part of our ESG impact report. In 2022, we implemented ‘Carbon Forecasting,’ which uses real-time forecasting data cross-referenced with product Life Cycle Assessments (LCAs) to quantify the weekly carbon footprint associated with our recipes. This helps us set targets for lowering our average weekly emissions. As we move into 2023, we’re committed to hitting these targets and continuing our efforts to reduce our environmental impact.

Our kitchen

We are proud to have built our very own factory just outside Doncaster, Rudie's Kitchen, to help feed more happy and healthy dogs the fresh, top quality food they deserve.

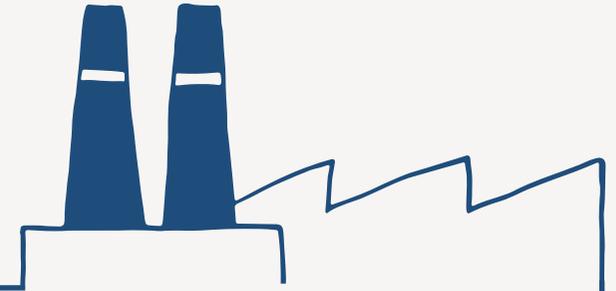
Rudie's Kitchen is the **largest fresh pet food facility in Europe** and is where we cook, pack, freeze and store all of our meals and boxes before we ship directly to customers. It's where we have the **biggest impact**, but also the **most control**. We have over 400 of our squad members based here and it really is the home of Butternut.

We built the kitchen from scratch and with **efficiency** in mind implementing innovative, continuous and scalable processes ensuring minimal downtime and food waste from start to finish.

In 2022, we doubled our cooking capacity, but we knew that we couldn't double our power or water usage too. So we applied some learnings from our 'phase one' building to try and **minimise the impact**.



Here's how we got on:



- ✓ Our absolute gas consumption increased over the year as we built a new oven and increased the number of meals we cooked. However, our ratio of power:production remained stable. We've set ourselves an ambitious intensity reduction target in 2023 to bring this down.
- ✓ Our absolute electricity usage increased by ~18% as we built new production and fulfilment lines. However this increase was a single step and from July onwards, despite production increasing our electricity consumption remained flat in the latter half of the year. This also resulted in our intensity reducing by over 25% too.
- ✓ Our inbound water, and outbound effluent followed a very similar story. We know that there is a direct link with how much we produce, but we know that just accepting this isn't good enough. Water conservation, along with energy optimisation is one of our core focus points in 2023 and we have set ambitious targets to achieve this.
- ✓ Waste, and in particular food waste, has always been a core driver for the business. Our cooking process and an unrelenting drive to do better has resulted in our food waste remaining under 2% for the year, we've installed cardboard and soft plastic recycling stations and any food waste we do produce gets sent to generate energy from waste (EfW)

Our packaging



Right now, our pouches are non-recyclable. We know this isn't ideal, but are working hard to continue to find an alternative.

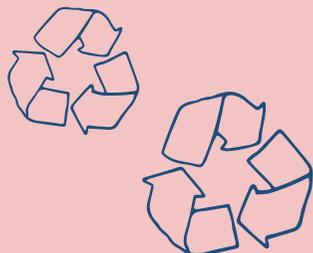
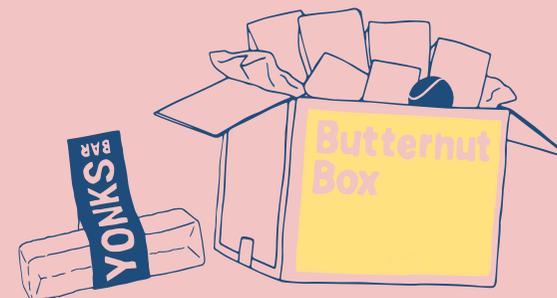
Our pouches are a bit different, you see. They're made using a particular plastic that can withstand our unique cooking and freezing process, because we cook our meals in the pouches themselves. This method allows us to cook at lower temperatures, which helps lock in the freshness and flavour without the need to add any additives or preservatives and gives our food digestibility scores upwards of 95% **without creating any food waste.** Our pouches are also compact, meaning that they use a lot

less plastic than trays, saving on **delivery miles** and taking up a lot **less space in the freezer**, so using less energy for storage too. All this means our cooking process has **less impact** on the planet than other pet food manufacturing methods.

We know single-use plastic isn't the sustainable solution. We also know that to find an alternative and widely recyclable solution may change the way we make our meals, so it takes a lot of time, innovation and teamwork to get this right. Through this process, our commitment to maintaining the quality of our food and reducing food waste remains non-negotiable.



Everything else we use for our products is **recyclable** - from our FSC cardboard boxes, to our **Woolcool insulation**, to our treats and extras (either cardboard or LDPE4, recycled widely in stores and schemes).



But we don't stop there. We follow the waste hierarchy of **reduce, reuse and then recycle**, so we're always looking at where we can remove our packaging altogether. We began trialling this in 2022 by removing ice packs from our large boxes and have already saved well over 300,000 litres of water, 10 tonnes of plastic and 20 tonnes of associated CO2e.

In our **supply chain**, we work with our suppliers to improve packaging too. From moving our lentils from small single-use paper bags to large reusable totes, our herbs from plastic packaging to paper, our oils from 50L containers to 1000L containers and our protein blocks - well, we actually removed all the packaging there (naked blocks - oo er). Not only do these changes lower the volume of packaging in our supply chain, but they also save on delivery miles too. Nice.



Scrapp

Recycling made simple



In late 2022, we began working with **Scrapp** to assess the recyclability of our packaging across our entire range. Through this partnership, we're aiming to understand exactly what our customers can recycle, and where, right down to a local level. You can read more about the work Scrapp is doing [here](#).



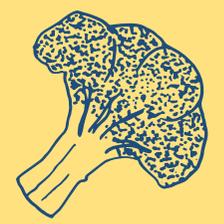
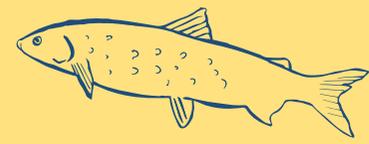
Our supply chain



We recognise that supply chains play a critical role in sustainability, both for our business but in the wider efforts to tackle climate change.

Where and how we source our ingredients is a huge challenge for us, like many other businesses. But we strive to work with suppliers who share our values and commitment to sustainability.

We are already working with some brilliant suppliers who are pioneering their own industries towards Net Zero, using the highest animal welfare standards and other sustainable agricultural practices.



We are committed to continuously improving our supply chain sustainability and finding innovative ways to reduce both our environmental and social impact.

As we grow, we would like to prioritise working with suppliers with **the highest and most transparent commitments** to sustainability and are implementing a **rigorous screening process**, which takes place at every stage of the supplier journey to evaluate this.

We will prioritise working with **local suppliers** to reduce both our environmental impact and support the communities where we operate.

In 2022, we began our **“Export Optimisation”** project, looking at the routes our finished goods took to reach our depots across the UK and Europe. **Saving an average of over 500 miles per journey**, this not only has meant we can get our products to you quicker but in a more **environmentally friendly way**.

All our final mile couriers offer **low carbon and/or carbon neutral** deliveries too - from electric and hybrid vehicles, bike couriers for local deliveries, offsetting emissions and more.



Charity

“To provide safe shelter, basic care, and full bellies to dogs in need. Everywhere.”

Charity is a huge part of who we are and what we do. We want to take a proactive step in ensuring that we make the lives of dogs (and humans) that little bit better.

We know that our impacts, both positive and negative, stretch far beyond what we do within our four walls (figuratively and literally). As such, we must set ourselves and those around us up for success. As a B Corp company centred around **Genuine Care**, volunteering and charitable partnerships is a huge part of how we do this.

As a business, we have partnered with and support **eight incredible charities** where we either donate our physical meals to on a regular basis and/or support projects that align with our charity purpose. We choose our partner charities and projects based on those that align closely with our values, and where we believe we can make the **biggest impact** to those dogs and communities who need our help the most.



They are:

Foal Farm

An animal rescue centre giaving abandoned and unwanted dogs a second chance.

Mayflower Sanctuary

A rescue and rehoming centre for dogs and cats near Rudie's Kitchen.

Dogs4Rescue

A unique dog rescue where dogs live together in a kennel free environment.

Wild at Heart Foundation

A global charity focussing on reducing the amount of stray dogs all over the world.

ISPCA

An animal welfare charity in Ireland specialising in rescue, animal welfare and preventing animal cruelty.

Koninklijke Hondenbescherming

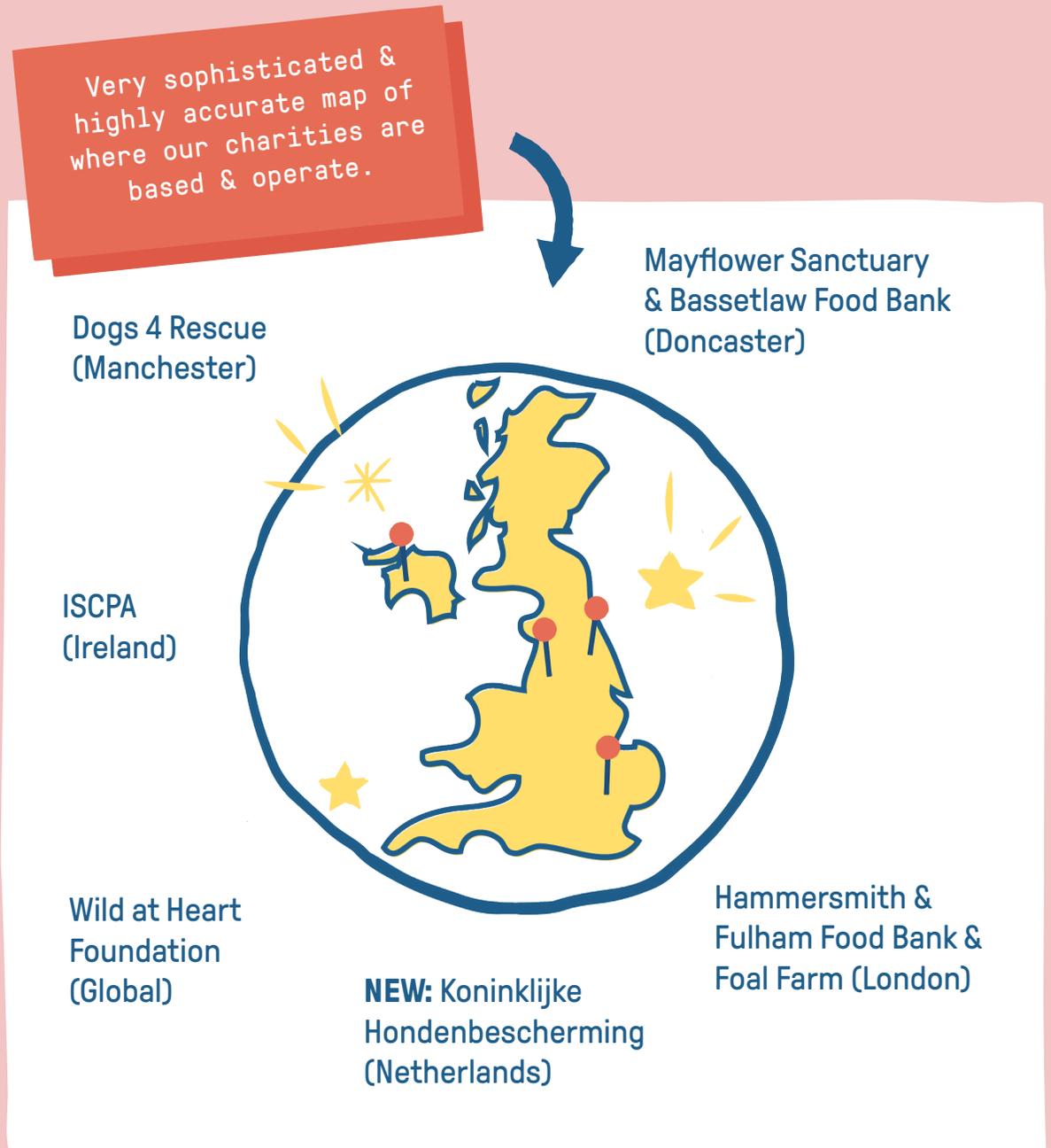
The Dutch Royal Association for the Protection of Dogs.

Bassetlaw Foodbank

A charitable organisation that distributes food to those who have difficulty purchasing enough to avoid hunger.

Hammersmith & Fulham Food Bank

Part of a nationwide network of foodbanks, working to combat poverty and hunger across the UK.



2022 was a huge year for our charitable efforts and we are very proud of what we were able to achieve.

118,358

meals donated
(an increase of over 240% from 2021)

Onboarded three new charity partners: **the ISPCA, Bassetlaw Foodbank and Koninklijke Hondenbescherming.**

Donated three freezers, 62 beds, and countless bandanas and balls

974

deliveries of treats
(a new thing for us as we expanded our range)

1009

hours volunteered

Over **£220,000** donated either in financial contributions to projects, product donations or ongoing support (an incredible 400% increase year on year!).

This effort was only possible thanks to our wonderful customers and team members.

As a quick reminder, we donate a meal to a dog in need for every new sign up, as well as feeding all of the dogs in our partner rescue centres. We also give every Squad member one day a year to give back to charity as part of our commitment to being a force for good.

In 2023, our efforts here are only going to continue. We want to make giving back and volunteering more accessible to all our team members, supporting our charities to fund projects like shelter rebuilds and training centres, and continue to feed more dogs in need.



Our squad

“Our Squad,” consists of over 600 dedicated and caring people working across the UK and Europe.

Living true to our values of Genuine Care, we try to demonstrate that year round with competitive salaries, pension plans, private healthcare access, flexible working, mental health support, and enhanced leave policies to support our team’s well-being and life’s important moments.

Our People team’s mission has always been to make Butternut the best place you have ever worked. We focus on creating a culture where you can belong, succeed and have a laugh along the way. With a growing team, the focus in the past 12 months has been on development, Diversity, Equity and Inclusion (DE&I), wellbeing, celebrating our story so far and all the milestones (big and small) along the way.





Training & wellbeing

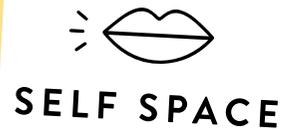
As we've grown a lot over the past seven years, we're now really focussed on making sure that growth is sustainable. That means investing more in our team members in meaningful and satisfying ways, which in turn will create better experiences for our dogs and their humans.

We recently introduced our manager framework, which defines the behaviours and routines of Butternut managers, with the aim of creating **effective leaders** who can build high-performing teams that are engaged and well-cared for. We have improved our **onboarding process** across the company, recognising that it's essential to set up our new hires for success in their roles and as part of Butternut.

Through our operational training programs, we help our team members develop their skills while ensuring they follow **safe, healthy, and compliant practices.** We are proud to have **promoted** over 100 team members in the last 12 months at Rudie's Kitchen - which is down to both the effectiveness of our training programs and the commitment of our **brilliant team members.**

We have also partnered with Self Space to offer workshops to managers and individuals to better understand our own well-being and mental health. We have extended our Learning and Development Budget to be used towards mental health support, recognising the challenges that we've all faced in recent years and their impact on personal well-being.

We're committed to looking after our team and making sure everyone has the chance to be their best selves.



Diversity, equity & inclusion

Our work on DE&I will never be done or ticked off. Each year, we learn more about our Squad, identifying the high impact areas where we aim to drive meaningful action.



We've been hosting regular **lunch and learn sessions** with guest speakers, covering topics such as LGBTQ+ terminology, Black history, and mental health. Our recent survey showed that **83% of respondents found that Butternut values diversity**. We actively seek out individuals with diverse perspectives and experiences, as we believe this helps us provide a better experience for our customers and grow as a business.



We strive to **reduce our biases in the recruitment process** by using structured interview processes and running job adverts through gender decoders. Our goal is to have **40% diverse representation in the first interview stages**.

We also support initiatives like **Rails Girls London** and **Codebar** to help promote career opportunities in technology for individuals from diverse backgrounds.

Our **gender pay pay gap** is lower than the UK industry average at 1.5% vs 8.3%.

As we look forward, we'll keep doing everything we can to make everyone at **Butternut Box** feel equal. That includes everything from reviewing our hiring principles to developing a robust compensation strategy and promotion processes. To measure our progress, we carry out annual DE&I and engagement surveys to get hold of data that helps us plan for the future.

Community & celebration

At Butternut, we believe in making a positive impact on the communities we engage with, whether in London, Doncaster, Amsterdam or Dublin.

Celebrating successes, both big and small, is a fundamental part of our culture. We recognise that as a company and team, we are continuously evolving, but taking time to appreciate the progress we've made is essential to us.

In 2022, we accomplished the following:

We volunteered over **1000 hours** with our charity partners (in case you missed this in our charity section, we're very proud of this).

We supported our communities in London and Doncaster by collaborating with local suppliers to organise team lunches.

We held our BARK (Butternut Annual Recognition & Kudos) awards ceremony to **acknowledge team members who have gone above and beyond** in line with our values.

We **celebrated our milestones**, including becoming a BCorp, at our annual Great Butternut Get Together, where everyone across the business came together.

We **partnered with suppliers that represent marginalised groups** to host team lunches and social events, celebrating and recognising DE&I events such as Black History Month, International Women's Day, and PRIDE.

Successes

We want to create a high-performing culture where our team can do their best work. In going after this goal, we have celebrated some big wins in 2022. Some of these you've hopefully already read about earlier in this report, but we are very proud of our teams so **wanted to mention again.**



Firstly, Rudie's Kitchen, was awarded an **A score recognition** from BRCGS Food Safety certification audits, highlighting our team's unwavering dedication to providing only the highest quality food for dogs

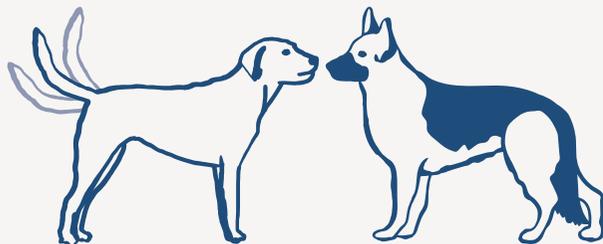


We were recognised as the Pet Food Company of the Year 2023 at the annual Food Manufacturing Excellence Awards - a **special shoutout to the squad at Rudie's Kitchen here.**

And we became a **B Corp**, joining a community of like-minded businesses committed to making a positive impact on the planet, its people, and its dogs. This achievement reflects our commitment to doing better and being a better business.



Finally, we were awarded the **North Notts Business Award for Corporate Social Responsibility**, further cementing our mission to provide better food and a better life for dogs.

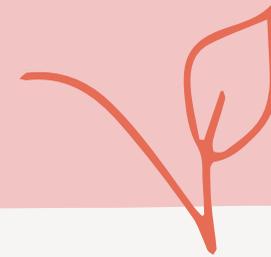


What's next

We have some ambitious plans and goals to go after in 2023 that will allow us to continue to grow our business **sustainably without increasing our impact.** In fact, we want to go beyond that and make our impact positive, as we're committed to our purpose to make dogs, humans, and the planet healthier and happier. Here are some of the improvements and positive practices we have in store for 2023 to help us achieve this.



Environment



- ◆ Implement a reverse osmosis plant at our factory to reduce our gas and water consumption.
- ◆ Map out our energy usage at every point of our manufacturing process and use this to drive a whole raft of energy optimisation projects.
- ◆ Introduce another two lower-carbon grain meals and influence change by reducing demand for our higher-carbon meals.
- ◆ Perform extensive trials to reduce the amount of plastic in our packaging and also continue to work hard to find an alternative recyclable material that can withstand our unique cooking and freezing process.
- ◆ Continue to increase our focus on sustainability and responsible sourcing in our supply chain.

Governance

- ◆ Complete our very first materiality assessment to understand what is important to our teams and wider stakeholders and use the responses from this to help us shape our long-term sustainability strategy and roadmap to Net Zero.
- ◆ Implement policies and procedures for risk management across our whole business group.

Squad

- ◆ Enhance our annual leave policies to include days for wellbeing and learning & development as well as introduce our first ever sabbatical policy.
- ◆ Continue the rollout of our manager framework, with the aim of creating effective leaders who can build high-performing teams that are engaged and well-cared for.

Community

- ◆ Increase our donations and volunteering hours to our supported animal shelters and food banks.



So in short, the work doesn't stop here. **In fact we're really just getting started.**
As we go through 2023 and beyond, we will do everything we can to make the
world happier and healthier than we found it.

Because you,
the planet, and
dogs deserve better.

Follow our progress and pupdates on our social platforms.

    @Butternutbox