

second
nature



Sustainability report

WSH

Contents

WSH introduction 3

Introduction from our Chairman	3
About WSH	4

Second Nature: Our ESG strategy 5

Our approach to sustainability	5
ESG strategy development process	8
ESG strategy framework	11
ESG governance	12

Inclusion by design 14

Equity, diversity and inclusion (EDI)	15
---------------------------------------	----

Nurturing and growing talent 20

Employee training and development	21
Fair and decent work	24
Employee wellbeing	25

Progressive partnerships 28

Responsible sourcing	29
Ethical supply chain	33

Step up 37

Reducing our emissions	38
Waste management	42
Nature positive	44

Appendix 47

BaxterStorey Europe	48
France	49
Meyers Denmark	50
TCFD	51
Data tables	52
Supporting information	55
About this report	56



Introduction from our Chairman

Welcome to our first WSH sustainability report.

I am delighted to share with you the results for the first year of Second Nature, our Environmental, Social and Governance (ESG) strategy. This report highlights the significant progress we have made to date and outlines our future targets and work to ensure we continue to meet our ambitious ESG goals.

WSH was founded on a simple principle of fresh, seasonal, local produce made by well-trained teams who love what they do. Over the last 20 years this principle has driven our business as we have worked hard to further an ethical supply chain, nurture and develop our teams' talent and creativity by delivering comprehensive training and continuing to provide delicious, nutritious meals to our clients and customers every day.

Throughout 2023, we have worked hard to instil Second Nature as a central part of how we do business. By taking our founding principles and working hard to challenge ourselves on how we can improve our ESG performance, we have made a significant impact. This includes reducing our food waste by 24%, sourcing 92% of shell hen eggs from RSPCA Assured farms and reducing Scope 1,2 and

3 emissions by 3.6%. These are great achievements, but we are aware there is more work to be done and at every level of the business we see green shoots of progress for further action.

In Autumn 2023, we launched the WSH Race & Ethnicity Committee to continue to champion diversity and equal opportunities across all areas of our business. We have made progress with the gender pay gap and a more gender-balanced management team. We are proud to partner with Henpicked, encouraging more conversations around female health in the workplace. All UK based WSH employees can now access the Aviva Wellbeing app, which provides medical, financial and nutritional advice to ensure our teams have the support they need to thrive. We look forward to welcoming our European colleagues to this programme in 2024.

WSH remains committed to championing positive change in our industry, which includes seeking partners who share our values. We were delighted to welcome Meyers, Denmark's largest independent workplace catering provider, as well as MRS, a privately owned French catering provider, to the WSH family recently. Meyers achieved B-Corp certification last year and act as an inspiration to us all as we continue to progress our Second Nature

strategy. Whilst our 2023 report gives a UK and Ireland focused update, future editions will expand to include the achievements of our European business and teams.

WSH is committed to reducing net-zero greenhouse gas emissions across our value chain and we are proud to be one of only a handful of food service operators globally with a 'net zero by 2040' target approved by the SBTi (Science Based Targets initiative).

A year on from challenging the business to aim higher, think bigger and do more for the environment, our communities, our teams and our partners, I'm encouraged by the positive steps we have all made.

Alastair Storey, Chairman

About WSH.

WSH is a family of leading catering and hospitality businesses. We aim to be the very best, and we set ourselves incredibly high standards because we care passionately about food, service, our people and our clients. Our success is driven by delivering fantastic food and service using fresh, locally sourced, seasonal ingredients prepared and served by our highly skilled and motivated teams.

Founded over 20 years ago, we are the UK’s largest independent catering business for business and industry, education and events. We have over 26,000 team members and operate across the UK and Ireland, with a growing presence in Belgium, Denmark, France, the Netherlands and Norway. In 2022 and 2023, we further expanded our operations in Europe with the acquisition of Meyers, Musiam Paris, and MRS and through the development of our BaxterStorey business in France¹.



<p>7 We operate in 7 different territories.</p>	<p>26,000+ We have over 26,000 colleagues including chefs, baristas and bakers.</p>
<p>3000+ We have more than 3000 locations ranging from client restaurants, coffee shops, school lunch halls, hospitality suites and champagne bars.</p>	<p>2.6 million We estimate we serve more than 2.6 million customers every day.</p>

¹ The performance data within this Sustainability Report covers FY2023 and focuses predominantly on our established UK entities. In the coming years, we will integrate the performance of further UK and European businesses into the Second Nature strategy and data reporting.

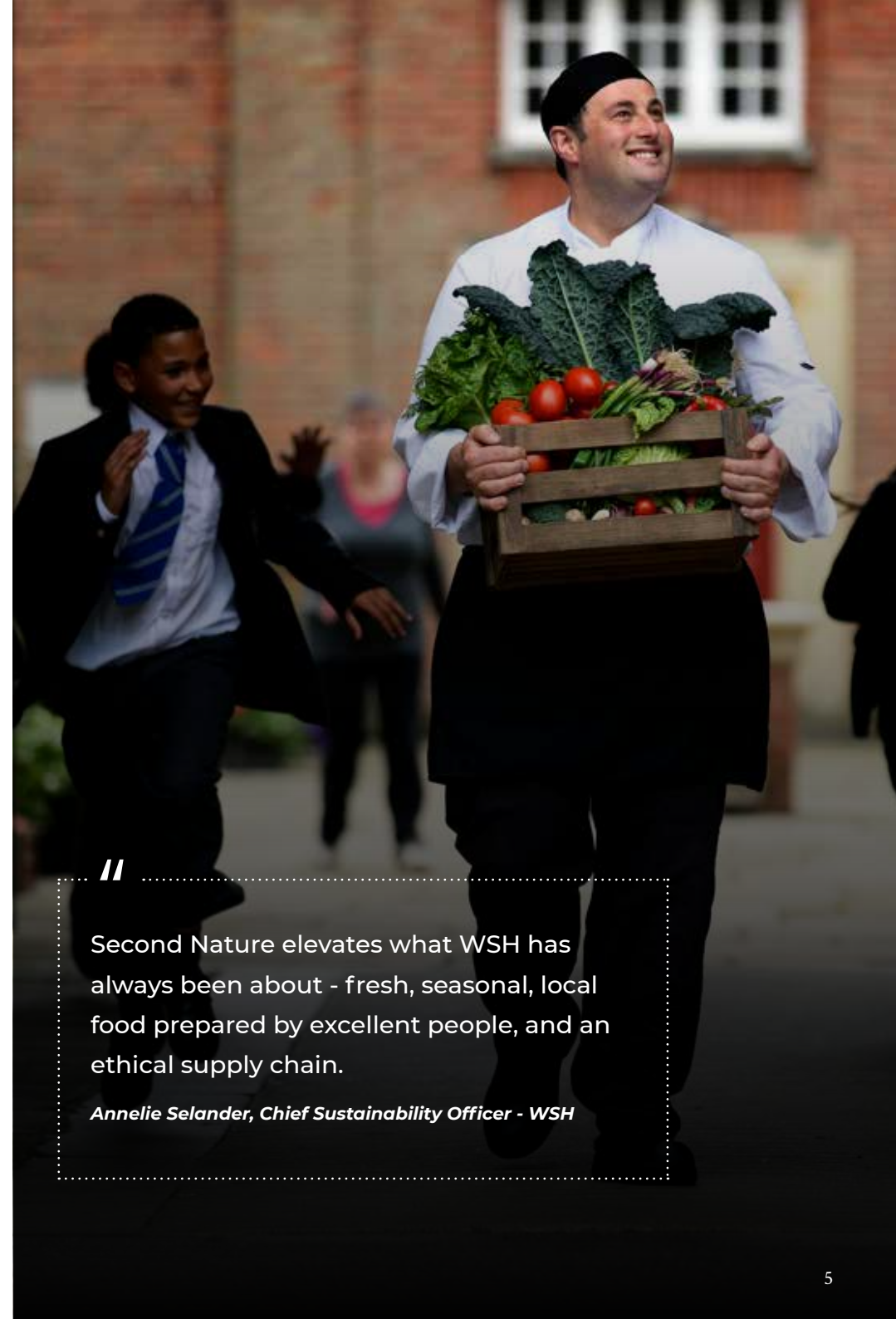
Second Nature: Our ESG Strategy

Our approach to sustainability.

Our commitment to using fresh, locally sourced and seasonal products prepared by excellent people, stems from an inherent belief that in doing so, we deliver fantastic, high-quality food, help sustain local communities and support local suppliers. Built on this simple foundation, we're a business of people who care passionately about what we do. We are hungry for change in our industry, and sustainability is a primary focus for us, our team, our clients and our partners. Over the last 20 years, we have worked to embed sustainable behaviours into what we do, underpinning our operations and guiding relationships.

As the world changes, we want to aim even higher. In 2023, we launched our first ESG strategy, Second Nature, establishing a common framework to manage the environmental, social and governance (ESG) matters within WSH's operations and supply chain. To bolster our impact, we collaborate with globally recognised working groups and alliances, such as the UN Global Compact and the Zero Carbon Forum.

Key partnerships and accreditations:

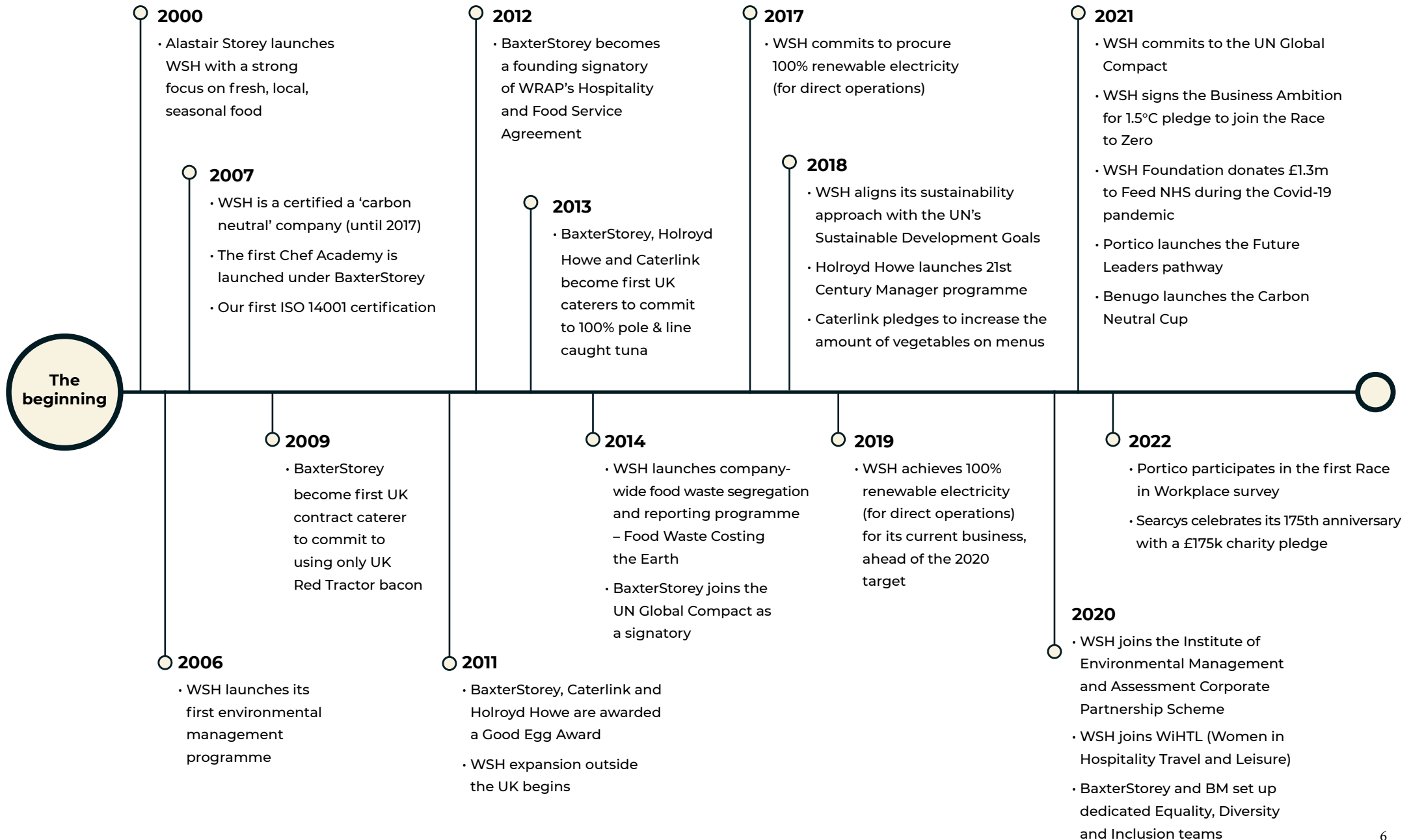


“

Second Nature elevates what WSH has always been about - fresh, seasonal, local food prepared by excellent people, and an ethical supply chain.

Annelie Selander, Chief Sustainability Officer - WSH

Sustainability milestones





2023 highlights



Our ESG strategy, **Second Nature**, is launched

Five of our businesses achieved their gender pay gap improvement targets

92% of shell hen eggs **RSPCA Assured**

BaxterStorey ranks **“world class”** by Hospitality Assured



We partner with **Henpicked** to encourage conversations around female health

24.3% reduction in food waste compared to 2019 baseline



Portico achieved the **Real Living Wage accreditation**

BaxterStorey launches **enhanced benefits package**

Our procurement team launches **Source with Purpose**

WSH submits **net-zero target to SBTi** for validation, approved March 2024

‘Food Waste Costing the Earth’ is now live in **more than 1,600 sites**

Meyers achieves **B-Corp certification**

84% of seafood certified to **independent environmental standards scheme**



3.6% absolute reduction in scopes 1, 2 and 3 carbon footprint from 2019 baseline

Established the **WSH Race and Ethnicity Committee**



ESG strategy development process.

In 2021, we engaged an external consultancy to develop a robust ESG strategy. The strategy aligns with well-known, globally recognised standards such as the UN Sustainable Development (SDGs), the Global Reporting Initiative (GRI) and the Sustainability Accounting Standards Board (SASB), and was launched during 2023.

The strategy was developed through a multi-stage approach which entailed a materiality assessment, strategic analysis and the development of robust KPIs and targets with action plans to help deliver WSH's sustainability ambitions.

ESG Strategy

1.

MATERIALITY ASSESSMENT

A materiality assessment is considered best practice to identify the most pressing material ESG topics for an organisation. We chose to take an approach incorporating perspectives from both our clients, colleagues, suppliers and teams assessing 18 ESG topics identified as being material to our business. With over 300 survey and interview results this gave us an invaluable snapshot

of what our stakeholders deemed to be the most important issues and topics for us to address. A list of these can be found in the Appendices of this report. We then undertook a business risk and opportunities assessment to identify the residual risk each ESG topic posed which, when combined with the output from stakeholders, indicated the top priority material issues for WSH.

2.

STRATEGIC ANALYSIS

To ensure our ESG strategy would be a robust one, a detailed analysis of the business and operating environment was also undertaken. We completed analysis of the political, economic, sociocultural, technological, environmental and legal (PESTEL) landscape along with a strength, weakness, opportunity and threat (SWOT) analysis.

A review of our competitors and peers was also completed along with an internal GAP analysis; both leading to a deeper understanding of trends, risks and opportunities and the strategic priorities for WSH.

3.

KEY STRATEGIC THEMES AND FOCUS AREAS

Using the outputs from the materiality assessment and strategic analysis it became clear which ESG topics needed to be prioritised and form the basis of our ESG strategy, *Second Nature*. These priorities were also informed by assessing existing work practices and levels of maturity where some topics were already being addressed. The resulting *Second Nature* framework has been

developed to intrinsically link with the broader commercial objectives of our business as well as meet the ongoing expectations of our clients, colleagues, suppliers and teams. The ability for us to continue mitigating risk and identify opportunities is equally as important within our strategy.

4.

KPIs AND TARGETS

Following the development of the *Second Nature* framework we considered how to match our level of ambition against the priority ESG topics that had been identified. Using best practice ESG frameworks as well as peer and competitor reviews we developed a range of KPIs and targets for each of our strategic pillars.

We then ran workshops focussing on each of these pillars with the teams required to deliver them to ensure these were realistic, achievable yet ambitious enough for us to deliver a material difference.

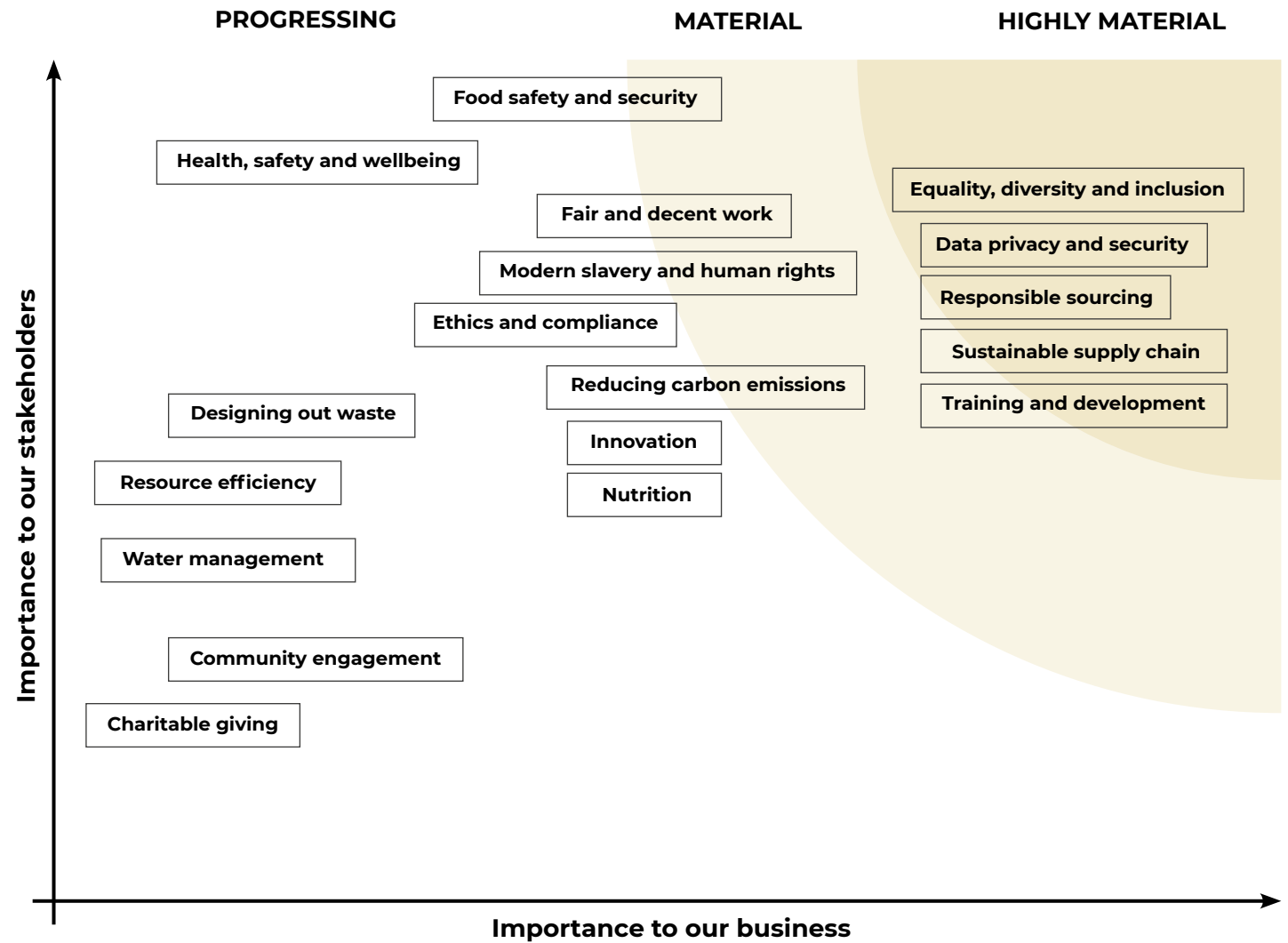
5.

ACTION PLANS

Finally we created action plans covering a period of 18 months with the focus being on integrating *Second Nature* into our business. These action plans can be viewed within this report along with the KPIs and targets.

Our materiality matrix

Our materiality matrix illustrates the ESG topics that are considered to be most important to our stakeholders and business. These key topics helped form the foundation of our Second Nature strategy. Issues such as food safety and security, ethics and compliance, nutrition, data privacy and security ranked highly on our materiality matrix. However, these are managed outside our ESG strategy through committees, working groups and ongoing compliance within functional roles to mitigate any associated risks. To ensure WSH remains up to date with addressing the sustainability issues that are most relevant to our business, we will continuously review and refine our materiality assessment.



ESG strategy framework.

Our Second Nature framework was influenced by the material topics identified in our materiality assessment. Topics were then reconfigured, merged and renamed. We grouped the most material issues into four key pillars, which will guide our approach to addressing each topic.

Second Nature strengthens our ambitions to transform our industry while building on WSH’s heritage of sustainability. Across the four pillars are 26 clear, measurable and challenging targets which set our direction for improvement up to 2030.

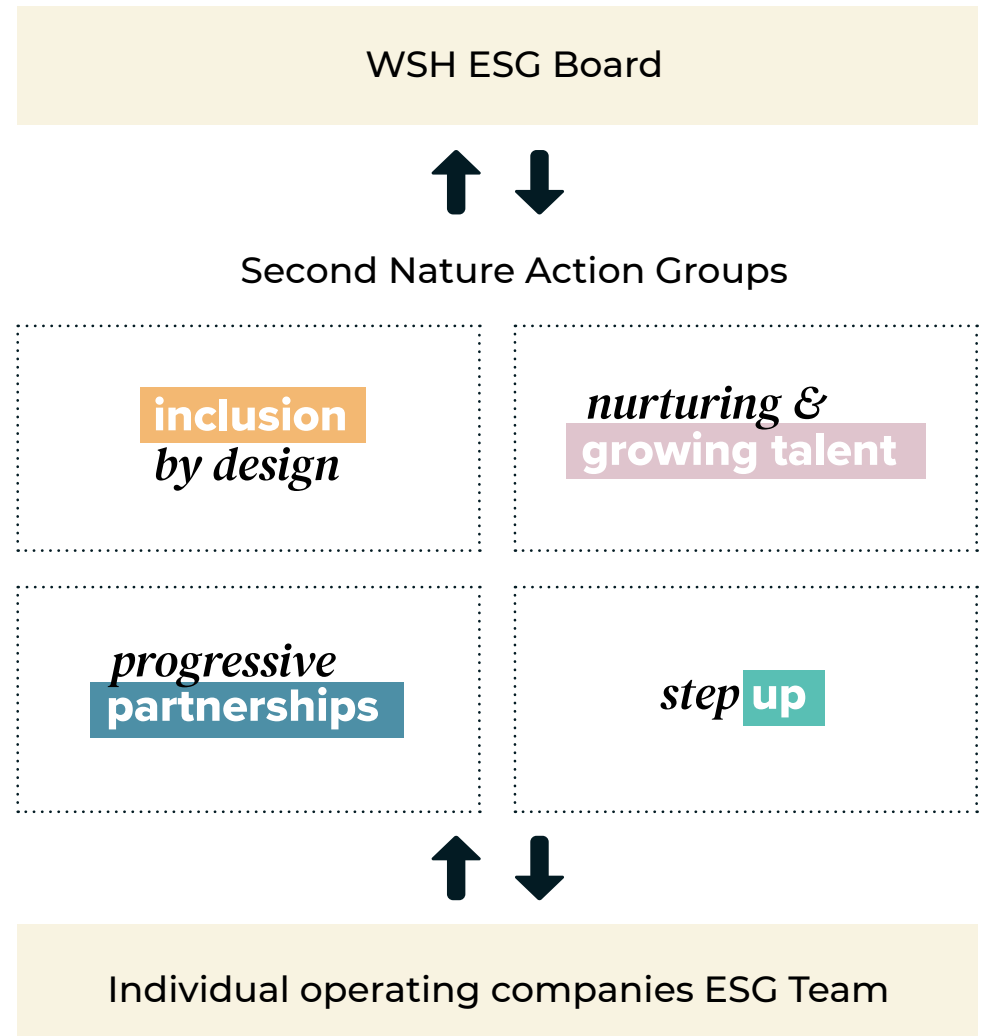
OUR VISION	We love what we do, serving our customers fresh, seasonal and local food prepared by our exceptional people every day. Our businesses are hungry for change in our industry, and we are uniting to take positive action on sustainability.			
OUR PILLARS	 INCLUSION BY DESIGN	 NURTURING & GROWING TALENT	 PROGRESSIVE PARTNERSHIPS	 STEP UP
OUR OBJECTIVES	We create inclusive workplaces where everyone can thrive	We help our people grow and succeed	We choose responsible partners and work closely to drive innovation	We act to reduce our impact on climate and nature
TOPICS COVERED	Equity, diversity and inclusion	Training and development Fair and decent work Employee Wellbeing	Responsible sourcing Sustainable supply chain	Reducing our emissions Designing out waste Nature positive

ESG governance.

The governance of our Second Nature strategy extends to the top of our organisation, where the WSH Board oversees all activities and progress against our Second Nature targets. Our Chief Sustainability Officer chairs the Second Nature ESG Board, which promotes, supports and monitors all the elements of successfully delivering the Second Nature strategy. The ESG Board comprises business and supply function Board members, who meet quarterly to review the progress of our work and report to the WSH Board as needed.

Each of the four pillars of the Second Nature strategy has a corresponding Action Group with a senior leader accountable for transforming ideas into action for their pillar. Supporting the Action Group leads are colleagues from across WSH who have a wide range of skills, knowledge and experience to support the delivery of critical initiatives and achieve our objectives and targets. The Action Groups meet frequently to discuss progress and allocate resources towards achieving our targets. In addition to these Action Groups, each of our businesses has an ESG team responsible for the execution of agreed activities, sometimes supported by a group of Sustainability Ambassadors working at individual sites.

We value our teams immensely and are committed to providing them with the information they need to drive sustainability across their operations. Both bespoke internal training and best-practice external programmes are used to support our teams towards achieving their targets.





inclusion
by design



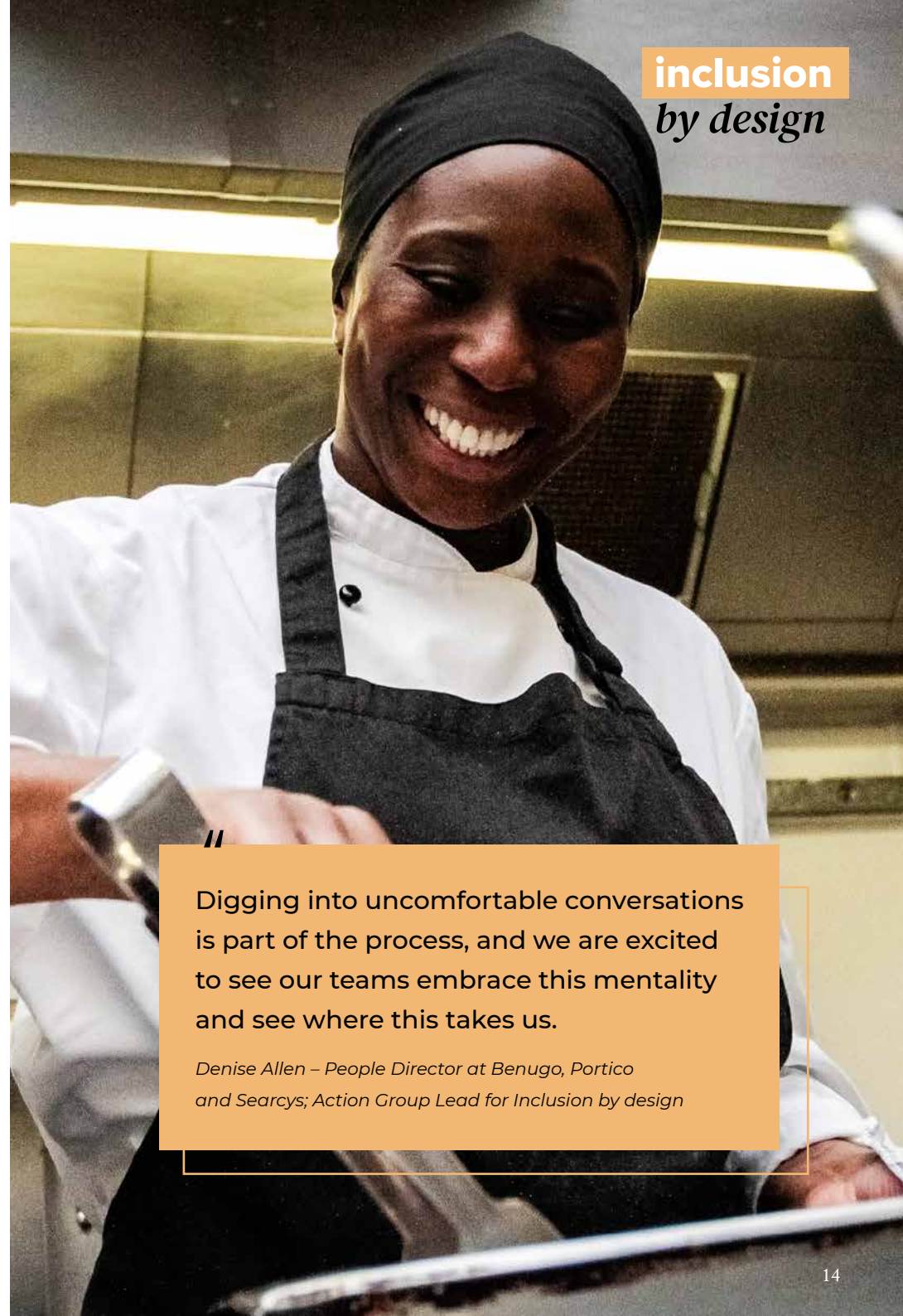
Inclusion by design.

We create inclusive workplaces where everyone can thrive.

Creating inclusive workplaces where everyone can thrive is at the heart of our Second Nature strategy and the core objective of our **Inclusion by design** pillar. Diversity of people brings diversity of thought. As such, promoting equity, diversity and inclusion (EDI) is a vital driver for resilience and progress in our business and society.

By creating this culture and providing fair opportunities for all our employees, we can attract a more diverse pool of applicants. This includes increasing gender and ethnic diversity across leadership and management roles, creating a level playing field of opportunities, and taking action to improve our gender pay gap.

inclusion
by design



“Digging into uncomfortable conversations is part of the process, and we are excited to see our teams embrace this mentality and see where this takes us.”

Denise Allen – People Director at Benugo, Portico and Searcys; Action Group Lead for Inclusion by design

Equity, diversity and inclusion (EDI).

Our approach to **Inclusion by design** is focused on improving EDI across our businesses. This is managed by WSH's comprehensive EDI Policy, which establishes our approach to EDI throughout our recruitment and onboarding processes and our employees' journeys with us. Providing suitable opportunities to a diverse group begins at the first point of contact during the recruitment process. We make sure that we recruit our people based on merit. Where we use recruitment agencies to support the finding of candidates, we actively encourage them to provide a broader range of candidates from diverse backgrounds.

Creating a culture of inclusion is essential to us at WSH. We conduct annual leadership training for all our senior leadership teams to guarantee that EDI is embraced by all senior leaders and that its level of importance is firmly understood. At the same time, we consider it crucial that we ensure our employees' differences are celebrated across the WSH brands. We have established numerous Employee Resource Group (ERG) networks across our various businesses, celebrating protected characteristics, including gender, race, LGBTQIA+ and neurodiversity. These networks allow our employees to communicate, educate and raise awareness to promote EDI even further.



To measure our progress, we established these three targets.



Increase marginalised gender representation in leadership roles to 40% by 2026.

Increase the representation of employees from mixed and multiple ethnic backgrounds in leadership roles by 2027 (to reflect regional population demographics).

Continuously assess and take actions to improve our gender pay gap.

Gender representation

To create a more equitable gender balance in our leadership, we need to find ways to support marginalised genders and address the challenges that sometimes impede career progression. To that end, we have implemented new benefits packages for female employees. These include enhanced maternity policies to encourage return to work, with more to follow. Across WSH, we have also partnered with Henpicked, one of the UK's largest platforms for women's health. It provides resources, guidance and advice to encourage women to have more open conversations about health matters such as menopause.

We are currently on track to achieve our gender balance leadership target for all our businesses by 2026, with four of our seven companies in scope already meeting the target ahead of schedule by the end of 2023. Improving the gender balance within our leadership also helps us work towards our targets relating to the gender pay gap.



2023 performance: Five of our businesses achieved their gender pay gap improvement targets

Racial and ethnic diversity

As we are a company that works across the whole of the UK, we must provide development opportunities and have people in leadership

positions who represent the UK's diversity. Improving the racial and ethnic diversity of our workforce has been a focus for WSH for a long time. Still, with Second Nature, we now have a targeted approach to increasing the representation of employees from mixed and multiple ethnic backgrounds at leadership level.

Having identified that data gaps were a significant barrier to achieving our target, we spent 2023 adjusting our approach to data collection. We launched a campaign encouraging our employees to share more information about themselves to help us understand WSH's ethnic diversity and develop targeted action plans.



2023 performance: Established the WSH Race and Ethnicity Committee

Every two months, our Race and Ethnicity Committee meet to champion diversity of race, culture and values. In October 2023, the Committee organised a keynote speech for all staff across WSH's commercial business with Michelle Griffith-Robinson, former Olympic athlete. Michelle is an inspirational lifestyle coach and ambassador for women's health and minority rights.

Across all our businesses, employees from underrepresented groups have access to leadership development programmes. We partnered with

Women in Hospitality, Travel and Leisure (WiHTL), a collaborative community devoted to increasing diversity across these industries, to give team members the opportunity to complete their six-month Ethnic Senior Leaders and Ethnic Future Leaders programmes. Currently in their fourth cohort, these programmes have been very well-received across our teams.

Spotlight: Our reverse mentoring scheme

Learning opportunities take many forms beyond formal training. In September 2023, we launched our reverse mentoring programme. Through the scheme, employees from diverse backgrounds support senior managers by applying their problem-solving and leadership skills within a range of working environments. Mentors and mentees engage across the WSH brands, providing fresh approaches to the everyday challenges that both parties face and collaborating to find new solutions.

We have had fantastic feedback on this initiative, with both mentors and mentees commenting on how beneficial it was to hear new perspectives, appreciate cultural differences and share the knowledge they have gained. Our 2023 cohort included 24 directors and in 2024, we look forward to bringing together employees and new directors in cohort 2 of the programme.



Case Study:

Improving ethnicity diversity across WSH

Faisa Ahmed is a reception manager for Portico; she is also a catalyst for change at WSH and one of our future leaders. Faisa joined Portico eight years ago as a Reception Supervisor. Since then, she has fast-tracked to a role as Reception Manager. Along the journey to management, Faisa participated in numerous programmes, including the Ethnic Future Leaders programme with WiHTL, and is a member of our WSH Race and Ethnicity Committee.

“I joined Portico eight years ago as a Reception Supervisor at one of our clients in London. From the moment I joined, I thoroughly enjoyed the culture and recognised the opportunities I had to progress. Within six months, my manager told me about the opportunities that were available to me, and I was promoted within my first year. That set me up on my management journey.

Portico’s Director of Operations told me about the Ethnic Future Leaders programme, where ethnic leaders can get together and talk about their experiences. I had attended previous events with WiHTL and knew how strong their impact could

be. I thought it would be perfect for my journey into management. Through the six-month programme, we would interact with guest speakers and diverse senior leaders across globally recognised brands who would share their experiences and challenges throughout their careers.

The speakers were phenomenal. I really related to many of the problems that these fantastic women faced as both a woman and as someone from an ethnic minority. Whilst I felt connected to these relatable challenges being experienced by senior leaders, it also made me realise that change starts now. It really opened my eyes to the bigger questions behind embracing and increasing diversity and helped me realise how I want to rewrite the story now for those in the future.

Through the experience, I also got the chance to engage with a reverse mentoring programme where I was the mentor for a director of an international brand. We would get together and help find solutions to current obstacles, finding ways to make their business more diverse.

The Ethnic Future Leaders programme was so invaluable for me. The experience made me feel empowered, and as a manager, I know it’s my job to be part of the solution that helps change the narrative. I want to do more and give my employees a platform. When I was asked to be a part of the WSH Race and Ethnicity Committee, it was a great privilege for me to know I could be part of this change. We’re now in the middle of developing a five-year plan for each WSH brand to improve on EDI, and I can’t wait to see what’s next!”

//

The speakers were phenomenal. I really related to many of the problems that these fantastic women faced as both a woman and as someone from an ethnic minority. I felt connected to the challenges being experienced by senior leaders and it made me realise that change starts now.

Faisa Ahmed – Reception Manager for Portico



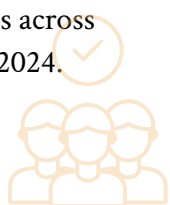
Inclusion by design: Looking ahead.

In 2024, we will take further steps to centralise our approach to EDI at WSH. Our primary focus areas are outlined below.

1

Centralising Employee resource groups

To provide a focal area for education, awareness and conversation for all our team members, we will expand the presence of our ERGs across all our businesses in 2024.



2



Diversity data collection

To further develop our understanding of our teams' gender and ethnicity data, we are committed to making improvements across all our businesses in 2024. We will do this by engaging our team members and continuing to improve our internal data management processes.

3

Raising awareness

To raise awareness and education on EDI across WSH, we will step up our training and development across the business, beginning with Board and management-level EDI awareness training.





nurturing &
growing talent



Nurturing and growing talent.

We help our people grow and succeed.

When people care passionately about what they do, it leads to happy clients and customers. We have grown into a business representing over 26,000 people, and our efforts to nurture and grow talent have been at the core of this success, providing the essential skills to promote long and successful careers. We strive to be the employer of choice within the hospitality industry, and we do this by supporting our colleagues in thriving both in and outside work. This includes providing learning and development opportunities for our employees and safeguarding employee wellbeing across the WSH family.

Success in the hospitality industry has its challenges, both historic and recent. The sector regularly experiences high staff turnover, exacerbated in recent years by the cost of living crisis, particularly in the UK. In the face of these challenges, it is even more critical for our brands to remain agile and prioritise talent management to meet our clients' changing demands and requirements.

Our **Nurturing and growing talent** pillar recognises that our businesses must look after and support our people to succeed. Our approach can be broken down into three key themes, within which we have set targets to measure our progress: employee training and development, fair and decent work, and employee wellbeing.

nurturing & growing talent



//

We aim to foster a culture of belonging, embracing diverse perspectives and individuality.

*Arran McDowell – People Director at BaxterStorey;
Action Group Lead for Nurturing and growing talent*

Employee training and development.

The opportunities to grow and develop in the hospitality sector are endless. By investing in our employees through upskilling and development opportunities, we demonstrate our commitment to their long-term growth. We see this as a critical element in making our employees feel valued and counteracting the traditionally high turnover rate within the hospitality sector.

At WSH, we have long supported our people throughout their careers – from apprenticeship programmes to mentoring and leadership training pathways.



To further build on our foundation of learning and development and career opportunities for all, we have set two key targets through our Second Nature strategy.

Increase internal mobility within the businesses, increasing the % of manager roles filled by internal hires by 2025.

Increase representation of people from underrepresented groups in our management development programmes to 30% by 2025.



We want to provide learning opportunities for all our employees beyond the mandatory requirements. Our formal learning and development training has taken different forms at a brand level as well as at a group level. Collectively, these initiatives provide the suitable knowledge and skills to improve internal mobility and enable our employees to progress.

Some of the development achievements across our WSH brands in 2023 are as follows.



A new in-person and e-learning EDI training course was launched with over 5,100 sessions conducted.



A nine-month senior leadership programme was launched for operations managers, operations directors, senior general managers and heads of departments from support functions.



129,326 training courses were completed across the company over 12 months through the Knowledge Centre.



Over 100 people benefitted from the Future Leaders pathway.



Over 1,000 training hours were completed through the online Knowledge Centre portal.



300 new bakers were trained, 66 people completed our Chef Development programme and our Service Excellence programme was launched.



A large part of our development also comes from the apprenticeship opportunities we provide to people starting their careers, be it in business or the hospitality and food industry. At the end of 2023, 3.2% of WSH employees were on an apprenticeship scheme. We will work with all our apprentices to help them complete their programmes and set them up to become future leaders in our business.



Case Study:

Providing opportunities in business management.

Developing our future leaders is crucial to guarantee the longevity of our business. Our apprenticeship programme includes Degree Apprenticeship schemes, which provide prospective candidates an opportunity to study for a higher education degree while also gaining invaluable practical experience in working within one of WSH's businesses. At present, we have more than 500 degree apprentices across the WSH brands. One of our Business Studies degree apprentices, Lily Heywood, joined the programme in 2022.

“While studying at school, I knew I wanted to continue with business studies at a higher education level, but during Covid-19, all learning became virtual. I felt disconnected from the things I was learning and knew that I would benefit from a more practical learning experience. As my friends were applying for university, I began looking at other forms of higher education. I came across the Chartered Manager Degree Apprenticeship programme with WSH, a three-and-a-half-year programme involving four days of work with one day of formal education a week. That was perfect for me, an opportunity to gain hands-on, practical

experience in management whilst achieving two significant business qualifications.

I began working in front-of-house, kitchen porter and chef roles. This really helped me get an understanding of the environments our staff work in and how a food and hospitality business operates. I then moved to a management position at the City Football Academy, where I oversaw numerous hospitality events, including all under 18s and 21s games. In the role, I developed my management skills and gained helpful experience in stocktake, accounting and rota management.

I'll never forget my time there. The team was incredibly patient and taught me so much, which is invaluable in a fast-paced industry. These skills helped propel me to my current role as the People Team Administrator at WSH. My role entails working with the Employee Relations team, where I have been able to apply all that I have learned over the last 18 months. I've been able to understand another critical aspect of business studies: employee relations and people management.

I would not have gained anywhere near the same amount of practical experience if I had gone down a different path. The opportunities are endless – you can bend it, shape it and make it however you want it to be, depending on your career aspirations. For anyone considering a degree apprenticeship, my advice would be: ‘Do it!’”



During Covid-19, I felt disconnected from the things I was learning and knew that I would benefit from a more practical learning experience. I would not have gained anywhere near the same experience, had I gone down a different path. The opportunities are endless.

Lily Heywood – Business Studies Degree Apprentice

Fair and decent work.

In the food and hospitality industry, providing fair and decent work is vital to ensure that our employees maintain a healthy income. The Living Wage Foundation states that in April 2023, the hospitality sector had the highest proportion of jobs being paid below the Living Wage, with 48.1% of all jobs².

For WSH, providing fair and decent work resonates profoundly as both a moral obligation and a strategic necessity.

As part of Second Nature, we have also pledged to provide access to the Real Living Wage, and have set a corresponding target.

Strive towards paying all employees, whether directly employed or on client contracts, the Real Living Wage.



In 2023, three UK operating businesses had achieved their individual targets on the Real Living Wage; of which one achieved the Real Living Wage accreditation.



2023 performance: Portico achieved the Real Living Wage accreditation.



We also want to ensure that we provide our people with employment opportunities that suit their lifestyles. Through the natural structure of hospitality life, we can give our employees flexible working patterns to fit their work-life balance. For example, working for one of our brands in the education sector allows people to work around term hours and school holidays to make balancing childcare easier.

² Living Wage Foundation, 'Employee jobs paid below the Living Wage' (February 2024)

Employee wellbeing.

Attending to our people's mental, physical and social wellbeing is fundamental to WSH and ensures that our teams are at their best both inside and outside the workplace. Our ambition is to set the standard and be recognised for having the most inclusive culture in hospitality.

To fulfil this ambition, our employee wellbeing target is to guarantee the following.

100% of employees have access to medical, financial and nutritional advice.



To achieve this target, we understand that we must find ways to make sure all our employees have access to these facilities. A starting point in 2023 was to identify a partner to provide access to medical, financial and nutritional advice for all our UK employees. We selected the Aviva Wellbeing Hub, a service platform currently used by BaxterStorey, as an excellent resource to make available to everyone in WSH.

After we have implemented Aviva Wellbeing, we will monitor its success through analytics and feedback from our teams to ensure it remains a functional tool and supports their wellbeing. We will explore additional services to enable us to provide further wellbeing support for all our employees globally.





Nurturing and growing talent: Looking ahead.

1



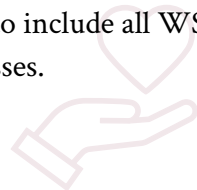
Career pathways

To improve our approach to internal mobility and help establish a career pathway from team member to executive leadership, we will set a baseline and review the accuracy of our internal mobility reporting to determine what success looks like against our mobility targets. We will also examine how job vacancies are shared across each business to improve internal mobility and make the roles more accessible to our current workforce.

2

Mental health and wellbeing

To clearly establish and grow our approach to mental health, in 2024 we will set a Mental Health Charter for WSH and significantly increase the number of mental health first aiders in each business. We will also grow the BaxterStorey Wellbeing Employee resource group to include all WSH businesses.



3



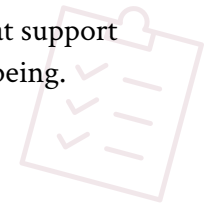
Real Living Wage

We plan to liaise with the Real Living Wage Foundation and develop a Real Living Wage toolkit for the Sales and Operations teams to support them with client discussions relating to the Real Living Wage. Alongside this, we will review each of our benefits packages across our brands, aiming to share and implement best practices where feasible.

4

Policy review

To further formalise our wellbeing approach across WSH, we will review and create policies that support absence and wellbeing.



A close-up photograph of a green vintage car door. The door features a series of horizontal ridges. A list of food and drink items is printed in white, bold, sans-serif capital letters across the center of the door. The items listed are coffee, cakes, tea, crisps, soft drinks, ice cream, and sandwiches. The car's body is a dark green color, and a portion of a black tire is visible at the bottom of the frame.

COFFEE, CAKES, TEA,
CRISPS, SOFT DRINKS,
ICE CREAM, SANDWICHES

progressive
partnerships



Progressive partnerships.

We partner to drive positive change.

WSH's procurement ambitions stem from our understanding that much of our impact as a business is rooted within our supply chain. There is power, therefore, in who we choose to partner with. We want to use this power to drive positive change and collaborating with responsible suppliers to deliver innovative, sustainable solutions to our customers.

We buy products and services from thousands of suppliers through our complex and varied supply chain. Our decentralised approach to sourcing is a unique selling point for WSH as it enables all our brands to source fresh, seasonal, local produce as far as possible. We are dedicated to conducting the necessary due diligence to identify any potential negative impacts within our supply chain.

Our approach to **Progressive partnerships** has two primary focus areas: responsible sourcing and ethical supply chain. Within responsible sourcing, we concentrate on improving animal welfare and environmental impact through high farming and food standards such as RSPCA Assured and Red Tractor. Ethical supply chain focuses on the human rights impact across our supply chain.

progressive
partnerships

We are proud of our longstanding, leading approach to sourcing sustainably. With our Second Nature strategy, we can build on this to drive positive change across our supply chain.

*Tara Henry – Head of Procurement for WSH;
Action Group Lead for Progressive partnerships*

Responsible sourcing.

We strive to source regional ingredients and procure animal products with the highest standards. Our strategic approach to responsible sourcing prioritises regular engagement with our suppliers to guarantee ethical trading practices, animal welfare standards and credible environmental credentials for the produce we source. We are committed to time-bound targets, keeping us accountable for progress.



Our 100% targets reflect our high ambition and intention to guarantee we only source materials in accordance with our standards. However, given the nature of modern global food production and supply chains, we recognise there will be times when this is not realistically possible, be it due to religious exemptions or supply chain issues. With this in mind, we are committed to full transparency in instances where we have not met our 100% targets and will disclose if this is the case.

Our targets are outlined below, and for 2023, we prioritised our egg and seafood targets.



100% of our seafood to be responsibly sourced and certified to an independent environmental standards scheme by the end of 2023.

100% of our shell hen eggs to be sourced from RSPCA Assured suppliers by the end of 2023.

100% of the cotton for our uniforms to be sourced from certified sustainable sources, such as the Better Cotton Initiative, by the end of 2024.

100% RSPO-certified palm oil to be used within nominated lines and manufacturing and processing facilities by the end of 2024.

100% of liquid milk to be directly contracted with UK dairy farmers who meet RSPCA Assured standards and are committed to achieving net zero, by the end of 2025.

100% FSC-certified wood and paper products to be used for manufacturing and processing facilities by the end of 2025.

Achieve an equivalent of Business Benchmark on Farm Animal Welfare rating (BBFAW) Tier 3 or above for key categories by the end of 2026³.

100% of fresh meat to meet Red Tractor standards by the end of 2025 and frozen meat by the end of 2027.

Achieve no deforestation across deforestation-linked commodities by the end of 2025.

³ Target is currently under review.

Spotlight: Working with the RSPCA to improve egg standards

Eggs are a vital ingredient in many of our menu items. However, the condition in which egg hens are raised has been a contentious issue for many years, and there has been a long history of cramped battery farms across the EU and UK. In contrast, free-range eggs are produced by hens with better living conditions, such as daytime outdoor access, safe and spacious barns, and conditions that allow natural behaviours. In the UK, free-range eggs account for only approximately 55% of the total egg production.

At WSH, we are committed to sourcing free-range eggs for all our food products. To make this happen, we set a target to source 100% of our shell hen eggs from RSPCA Assured producers by the end of 2023. At the beginning of 2023, we looked to RSPCA Assured suppliers who work directly with our teams to help us build capacity and ensure a regular supply of responsibly sourced eggs. As a result, we teamed up with St Ewe, an award-winning RSPCA Assured producer. Together with our existing supplier, Chippendales,

they are able to provide enough eggs to supply our UK businesses moving forward.

By the end of 2023, WSH had purchased almost 20 million shell eggs, and in December, 92% of the total eggs were RSPCA Assured free range, with 7% being from free-range sources and 1% from a barn/colony⁴.

While this did not fully meet our target, we see it as an enormous success. The devastating impacts of avian influenza showed us that conditions can change in an instant. At times, we may be unable to achieve our target, but we will continue to aim high and work hard to source eggs sustainably. Since September 2023, we have successfully and consistently removed caged eggs each month across our businesses. We are confident that we can push this figure to near 100%.



2023 performance: 92% of shell hen eggs RSPCA Assured



⁴ Due to the religious needs of some Jewish clients, we are unable to source eggs from all RSPCA Assured producers. However, the specification of the supplier is free range. Similarly, if we face supply chain issues that prevent us from obtaining eggs from our two main producers, we ensure that eggs are sourced from a free-range alternative.



Case Study:

Building our relationship with St Ewe



To celebrate our new relationship with St Ewe, we joined them to help to fundraise for the charity Hospitality Action. They sought to complete the world's longest egg and spoon race in Cornwall, with two teams battling it out to break the world record. Together, we wanted to address the ongoing cost of living crisis and raise awareness of its impacts on farming, food production, hospitality and tourism. Hospitality Action supports hospitality workers, helping them get back on their feet after setbacks. It was founded in 1837 and has since offered vital assistance to all who work or have worked within hospitality in the UK.

By joining them for day one of their four day mission, we raised over £5,000 contributing to their £37,000 total for Hospitality Action. The teams broke the Guinness World Record twice for the greatest distance to carry an egg in one week, with the Great Eggsplorers covering 143 miles and Team Eggstremer covering 248 miles! We're grateful to be able to partner with suppliers who share our values in supporting our community and industry, and we look forward to what 2024 brings.



Spotlight: Sourcing seafood responsibly

Fish and seafood are important parts of a healthy diet, but they come with significant environmental and social concerns. Globally, overfishing poses enormous risks to current and future fish stocks, ecosystems and communities. Seafood supply chains are also at risk from a range of human rights abuses, including modern slavery. To ensure that we do not contribute to or exacerbate these environmental and social concerns, assurance schemes help to guarantee that seafood has been produced in a way that minimises environmental impacts and protects workers' rights and local communities.

At WSH, we want to ensure that 100% of the seafood we source comes from certified sustainable producers. To achieve this target, in 2023 we conducted a mapping exercise to gather a baseline of the third-party assurances and accreditations held by our seafood suppliers.

The exercise worked on a rating system based on the third-party accreditation that the wholesaler holds. The assurance schemes we accepted

included Marine Conservation Society (MCS) 1–3, Marine Stewardship Council (MSC), GLOBALG.A.P., Dolphin Safe, Aquaculture Stewardship Council (ASC), Sustainable Eel Group (SEG) and Best Aquaculture Practices (BAP). Any wholesalers who did not hold these standards or did not disclose their assurances were deemed below the standards to which WSH holds itself. We are, however, committed to a collaborative approach as we implement our sourcing standards; as such, we will work with those suppliers who fell below the criteria to establish a way forward to improve performance.

As a result of this exercise, by the end of 2023, 84% of the seafood we sourced was accredited to the assurance schemes listed. An essential next step is to educate and train our people on responsible seafood sourcing to make certain we achieve our 100% target by 2024 and continue to achieve it annually.



2023 performance: 84% of seafood certified to independent environmental standards scheme



⁴ Due to the religious needs of some Jewish clients, we are unable to source eggs from all RSPCA Assured producers. However, the specification of the supplier is free range. Similarly, if we face supply chain issues that prevent us from obtaining eggs from our two main producers, we ensure that eggs are sourced from a free-range alternative.

Ethical supply chain.

Any hospitality business will have areas within its supply chain that are susceptible to different forms of unsustainable and unethical practices, particularly modern slavery. Therefore, it is imperative we monitor that practices and standards are upheld through robust procedures and audit processes. WSH is committed to entering into agreements and contracts with suppliers that share and adhere to our vision of carrying out activities in an environmentally, socially, ethically and economically responsible manner.

We created our new Supplier Code of Conduct (SCOC) to strengthen this commitment. Our SCOC sets out our minimum standards and expectations for our suppliers within the areas of responsible sourcing and ethical supply chain. It states how we work to continually raise the bar on supplier sourcing standards as well as animal welfare topics.

WSH has a vast and extensive supply chain of food, beverage and non-food goods and services. As a result, we use several different ways to capture critical supplier information. Some will be directed through an online platform, in which suppliers submit a Self-Assessment Questionnaire (SAQ); others will be captured at the point of onboarding with additional checks from WSH's support services. During this process, we identify which suppliers are most at risk of responsible sourcing challenges, and those identified as high risk are exposed to our supplier auditing processes.

Our SCOC urges all suppliers to become members of SEDEX and affiliate with WSH to provide access to appropriate ethical audit data. By the end of FY23, 20% of our strategic and valued partners were registered on Sedex, with fully or partially completed questionnaires.

Our primary targets for creating an ethical supply chain are as follows.

100% of WSH strategic and valued partners to be signed up to the SCOC by the end of 2023.

Ensure 100% of WSH strategic and valued partners are registered on SEDEX with a fully completed SAQ and have a human rights policy in place, by the end of 2024.



In 2024, we require that our current and potential strategic and valued partners pledge to our SCOC; in doing so, they commit to responsible and sustainable procurement within their organisations and acknowledge their compliance with the principles of the SCOC. We plan to first engage over 150 Tier 1 and 2 suppliers on the SCOC.

Modern slavery prevention

In 2023, we also partnered with Unseen, a UK charity dedicated to stamping out slavery for good. Unseen is supporting us in developing a robust modern slavery prevention strategy with the aim to prevent, identify and mitigate modern slavery risks in our operations and supply chains. As part of our approach, Unseen provided Modern Slavery training for key high-risk functions in 2023, an initiative that we will scale across all locations in 2024. Further information can be found in the WSH Modern Slavery Statement.

Spotlight: Sourced with Purpose

In February 2023, we kicked off our **Sourced with Purpose** campaign. The campaign was an opportunity for innovative, emerging suppliers embracing WSH's sustainability values to apply to become our Sourced with Purpose supplier.

For our first round, we shortlisted down to five B-Corp accredited businesses, objectively some of the most exciting and creative brands changing how people consume. We invited them to pitch how their product fitted with BaxterStorey's 5 Cs of food development: Craft, Creativity, Community, Carbon and Cheer.

We selected the Small Beer Brew Co, a London-based brewery that specialises in brewing lower alcohol beer, as our Sourced with Purpose supplier. Founded in 2017, they pride themselves on how they can be better as a business for the environment, their community and their customers. Small Beer will be available at a number of WSH's sites throughout 2024, including the ZSL London Zoo and Simmons & Simmons.



Progressive partnerships: Looking ahead.

We have many targets across our **Progressive partnerships** pillar and take a rigorous approach to ensure we drive progress against each. Below are our focus areas for 2024.

1

Liquid milk

To reduce carbon emissions from dairy farms, we are wholly committed to sourcing from dairy producers who are RSPCA Assured and committed to net zero. We will leverage our strong relationship with RSPCA Assured producers to make progress towards our liquid milk target.



2

Wood and paper products

To reduce the negative impact of our operations on forest ecosystems, we will also work on our target for Forest Stewardship Council-certified wood and paper products. Focusing on this initiative will help us reach our 2025 deforestation-free target.



3

Supplier code of conduct

To ensure our suppliers are provided with a consistent set of expectations, we will promote our new SCOC with the aim of 100% of our Tier 1 and 2 suppliers signing up to its terms by summer 2024. We will work on our broader supplier base once we have progressed with all Tier 1 and 2 suppliers.



4

Modern slavery

To bolster our approach to eliminating modern slavery across our supply chains, we will further develop our partnership with Unseen as we move to implement our modern slavery strategy.



A perspective view of a dirt path lined with young trees in a nursery or orchard. The path is flanked by rows of vibrant green trees that recede into the distance. The ground is a mix of dirt and grass. The sky is blue with scattered white clouds. In the top right corner, there is a logo consisting of the word 'step' in a white, italicized serif font, followed by the word 'up' in a white, bold, sans-serif font inside a teal square.

step up



Step up.

We act to reduce our impact on climate and nature.

Our ability to serve our customers fresh, seasonal, local foods is inextricably tied to a healthy climate and natural environment. We are dependent on the health of our natural world; equally, we have the power to impact it in both positive and negative ways. As such, taking action to reduce our impact on climate and nature is essential to the future success of WSH and our brands.

To do this, our **Step up** pillar has three areas of focus: reducing our emissions, managing waste and protecting nature. As a hospitality business, we interact with some of the most environmentally impactful sectors on the planet, such as food and agriculture. Taking steps to improve our environmental sustainability is not new for us: we have been certified to ISO 14001, the international standard for environmental management systems,

since 2007, and it remains a central component in enabling our sustainable operations.

Headlining our **Step up** achievements for 2023 was the submission of our net-zero emissions target to the Science Based Targets initiative (SBTi). In May 2023, following the development of our net-zero roadmap, WSH submitted to the SBTi for verification of our science-based and FLAG targets; we are delighted that in March 2024, our targets were approved⁵. The work ahead to achieve our goals is significant, but we have the commitment and drive to succeed.

step up



We are excited to be demonstrating real ambition by embedding the reduction of emissions throughout our business to reach our net zero goals.

Mike Hanson – Director of Sustainable Business for WSH; Action Group Lead for Step up

⁵ FLAG - Forest, Land and Agriculture related greenhouse gas emissions targets

Reducing our emissions.

WSH was an early adopter in this space, and we are immensely proud of our programmes and achievements so far. In 2007, we put a stake in the ground and became the first food and hospitality business to be certified as carbon neutral. After maintaining the certification for a decade, we refocused our carbon actions towards delivering robust reduction and removal plans. In 2017, we committed to procuring 100% renewable electricity by 2020 while retaining a carbon neutral fleet and business travel certification. We developed our net-zero strategy and a bold suite of targets centred around achieving net zero across our entire value chain by 2040.

WSH commits to achieving net zero across our entire value chain by 2040 compared with a baseline of 2019.



Near-term target: We commit to reducing our absolute scope 1 and 2 greenhouse gas emissions by 80% and our scope 3 economic intensity greenhouse gas emissions by 77% by FY2030 from a 2019 base year.

Net-zero target: We commit to reducing our absolute scope 1 and 2 greenhouse gas emissions by 90% and our scope 3 economic intensity greenhouse gas emissions by 97% by 2040 from a 2019 base year.

FLAG target: We commit to a near-term reduction in absolute scope 3 FLAG greenhouse gas emissions of 34% by 2030 from a 2019 base year and a long-term reduction in absolute scope 3 FLAG greenhouse gas emissions of 72% by 2030 from a 2019 base year. We commit to no deforestation across our primary deforestation-linked commodities, with a target date of no later than 31 December 2025.

BUSINESS AMBITION FOR 1.5°C



SCIENCE
BASED
TARGETS

DRIVING AMBITIOUS CORPORATE CLIMATE ACTION

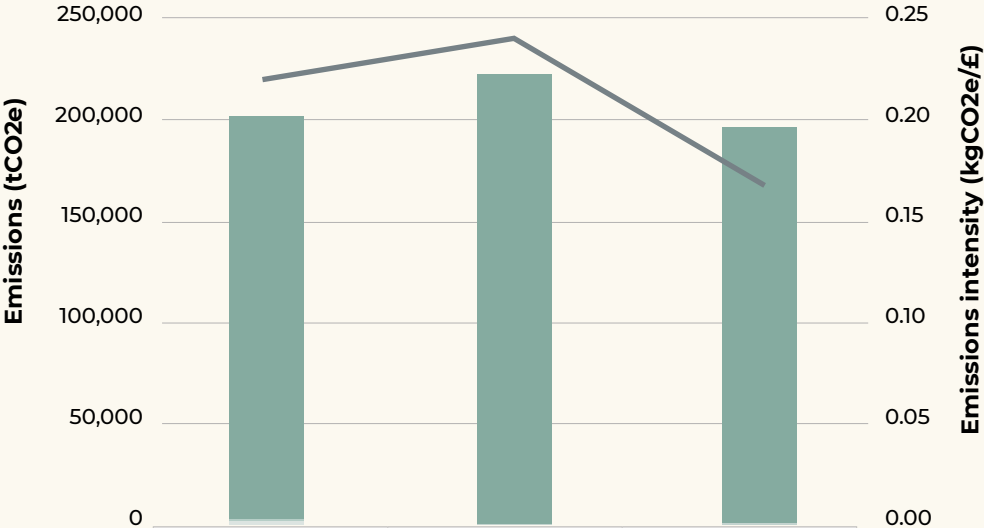


We are delighted to say that in 2023 we made substantial progress towards our emissions reduction targets. We can report an absolute reduction of our scopes 1, 2 and 3 total footprint across our UK and Ireland businesses of 3.6% against our 2019 baseline, whilst at the same time growing the business. This resulted in our Scope 3 economic intensity metric reducing almost 22%. The reduction in absolute scope 1 and 2 inventory reflect fewer retail outlets, a transition away from natural gas, fewer road miles and other efficiencies.

While we recognise that there are ongoing improvements in data quality and emissions mapping that account for some of this deviation, the vast majority of this represents actual reductions. We attribute this to WSH’s ongoing commitment to enhancing plant-based eating while focusing on less and better meat to reduce our emissions that result from the three categories of animal protein, which have the largest carbon footprint of all food groups.

This progress indicates a fantastic start to our net-zero journey and demonstrates that the efforts we have gone to in this past year have contributed significantly to emissions reductions. As we work towards our net-zero target of 2040, we recognise the importance of maintaining year-on-year progress, and we are confident that our current targeted approach will keep us on the right trajectory.

WSH Total Carbon Footprint



	2019	2022	2023
Scope 3 (tCO2e)	197,016.00	217,957.76	193,687.27
Scope 2 (tCO2e)	1,762.00	512.76	362.40
Scope 1 (tCO2e)	4,502.00	2,017.43	1,917.44
Total (tCO2e)	203,280.00	220,487.95	195,967.11
Emissions intensity	0.220	0.232	0.168



2023 performance: 3.6% absolute reduction in scopes 1, 2 and 3 carbon footprint from 2019 baseline



Case Study:

Science-based net-zero target

In May 2021, our commitment to carbon management took a huge step forward when we committed to the Business Ambition for 1.5°C⁶ and joined the UN’s Race to Zero⁷. In doing so, we aligned our climate mitigation targets with the ambitious aim of the Paris Agreement and committed to our net-zero target of 2040.

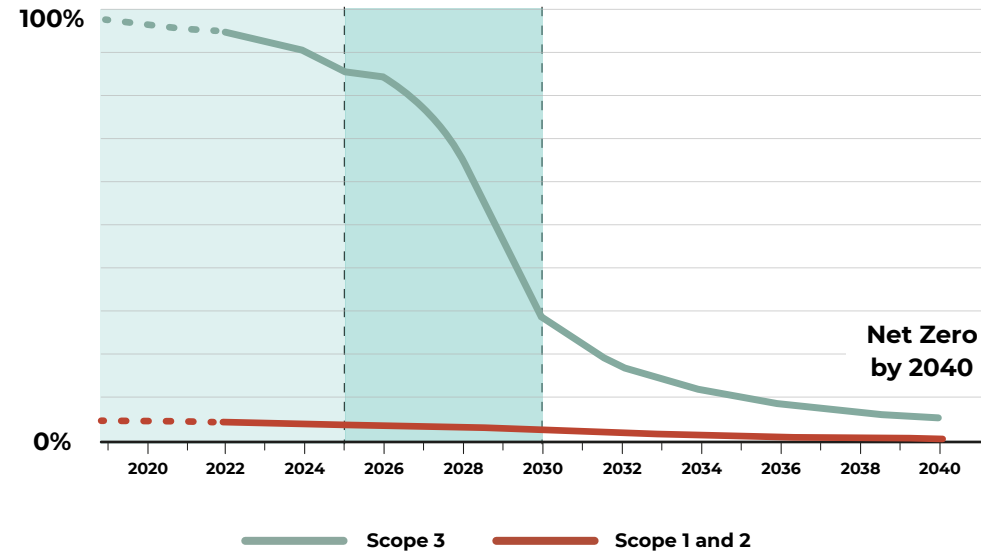
In 2023, we worked with an external consultancy, Simply Sustainable, to develop our first business-wide carbon footprint in line with the Greenhouse Gas Protocol, using 2019 as our baseline year. We worked closely with supply chain partners to map our spend through procurement analytics. This allowed us to establish a robust baseline highlighting significant areas of impact.

In line with many hospitality businesses, our scope 3 emissions are almost 99% of our total footprint. Purchased goods and services comprise 83% of our total emissions, therefore highlighting the importance of collaboration across our value chain towards achieving net zero.

To establish a net-zero decarbonisation roadmap focused on the areas of highest impact, we extrapolated the required reductions to create a carbon budget for each of our operating companies each year. Digging deeper, we established carbon budgets by category and product, and are currently developing reduction roadmaps for our carbon hot spots. This includes decarbonising menus and recipes and driving behaviour change through education and carbon labelling. Further focus areas include minimising waste, reducing transport impacts and supporting regenerative agriculture.

We are very proud of our sector-leading, near- and long-term science-based and FLAG emissions reduction targets. Demonstrating our commitment to the ambitious actions that these targets require, we will track performance against our carbon budgets annually, and remain agile in our approach.

Key initiatives



2019 - 2024

Focus areas include:

- Switching to renewable electricity
- Local sourcing
- Food waste reduction
- Carbon labelling
- Efficiency training
- Better data

2025 - 2030

Extended focus on:

- Transition away from gas
- 100% renewable energy
- Electrification of grey and white fleet
- Sustainable travel policy
- Regional optimisation
- Circular approach (food and non-food)
- Reusable first
- Zero waste to landfill
- Aligned waste streams
- Planet based diets
- Low impact ingredients
- Deforestation free
- Carbon literate teams

⁶ Business Ambition for 1.5°C | UN Global Compact

⁷ Race to Zero - Climate Champions

Spotlight: Carbon labelling

Knowledge is a powerful tool that can enable our teams and customers to make more sustainable choices. In 2022, we began a pilot project with Nutritics to trial 'Foodprint' labelling across menu items for a select number of WSH businesses⁸. Foodprint works by assessing the carbon contained in recipes to promote the inclusion of more low-impact foods across menus. The Foodprint system and supporting data include cradle-to-grave emissions factors and are certified by the European Food Information Resource AISBL.

Following a successful trial, in 2023 we expanded the scope to the entire family of UK-based WSH businesses. We are excited about the opportunities this will bring to encourage behaviour change in our customers by providing them with enough information to make better, more informed choices. It also empowers our teams to ensure that their menus are balanced: for example, by reducing meat content and increasing plant-based ingredients while guaranteeing they are tasty and nutritious.



⁸ Nutritics Foodprint, Carbon Footprint Calculator

Waste management.

The very nature of our business means that we produce large volumes of waste, including food, cooking oil, packaging, effluent, administrative waste and surplus equipment. We are committed to designing out waste from our operations and reducing waste to landfill.

Through Second Nature, we have three targets that focus on our reduction of waste and the promotion of circular practices.



Zero waste to landfill (from directly controlled sourced) by 2030.

Reduce food waste by 20% by 2024 from a 2019 baseline.

Eliminate all avoidable single-use packaging by 2030¹¹.



In 2023, we focused our efforts on creating reuse strategies across our brands to reduce waste and promote the reuse of materials, particularly for our dining areas. To successfully implement these waste strategies, we need a comprehensive understanding of how waste is managed across our sites. We are working with our customers to obtain accurate and repeatable data and utilise our influence on their waste management practices. We also educate and train our teams on how to apply the waste hierarchy across their sites. At the end of FY23, our programme, Food Waste Costing the Earth, continues to drive results where launched, as WSH reduced food waste by 24.3% compared to the 2019 baseline. Continuing this momentum, we will continue to reduce food waste across our brands.



2023 performance: 24.3% reduction in food waste compared to 2019 baseline

¹¹ Avoidable single-use packaging in this case refers to packaging that, when subtracted, will not impact product quality, and where a low-impact alternative is available. Note: this target will be reviewed in 2024.

Spotlight: Food Waste Costing the Earth

Food waste can be categorised into three types: plate waste, production waste and spoilage waste. From our data, over half of our food waste comes from our production methods. As a result, in 2014 we saw a significant opportunity to educate all our staff on the importance of better food production techniques, from ordering and storing to portioning and preparing correctly.

Out of this came our Food Waste Costing the Earth initiative, which aims to facilitate behaviour change across all WSH brands by educating our teams on food waste reduction. The initiative has become a large part of our environmental training and resulted in significant improvements across WSH; laying the foundations for the reduction in food waste we are now seeing. This equates to £2.7m savings in food waste cost across over 2,500 locations. Since the launch of Second Nature, the programme has also supported us in achieving our food waste reduction target.

Nature positive.

The natural world has always been at the heart of our **Step up** pillar. However, when we created our Second Nature strategy, we incorporated biodiversity across the other material topics, acknowledging its interconnectedness with different areas, with the following examples.

Greenhouse gas reduction: Climate change has an increasingly significant role in the decline of biodiversity. It impacts marine, freshwater and land-based ecosystems, leading to the loss of local species and the spread of disease, among other consequences. By taking action to reduce our greenhouse gas footprint, we help reduce the subsequent impact of climate change on biodiversity.

Food waste reduction: As our global food system is the primary driver of biodiversity loss, taking more from the earth than we need puts further, unnecessary strain on the ecosystems that support it¹². Our efforts in food waste reduction play a role in minimising the negative impact of food production on biodiversity.

Sourcing: Much of our impact on nature is dependent on the actions of our suppliers and the farming practices for the ingredients we source. Therefore, our commitment to responsible sourcing is crucial in reducing our impact on nature. From working with farmers who follow regenerative agricultural practices to committing to rigorous environmental standards for the produce we purchase – it all plays a role in leaving a lighter environmental footprint.

We are strengthening our stance on biodiversity and taking action to be ‘nature positive’¹³. As a first step, our Biodiversity Policy will be released in 2024. From there, we will further develop our programme to how we can manage and measure our impact on nature as we move forward.



¹² UN Environment Programme, ‘Our global food system is the primary driver of biodiversity loss’ (February 2021)

¹³ UN Environment Programme, ‘Creating a Nature Positive Future: The Contribution of Protected Areas and Other Effective Area-Based Conservation Measures’ (November 2021)

Spotlight: Regenerative agriculture

Regenerative agriculture is a system of farming principles and practices that involves minimising tillage, applying holistic management to increase yields and regenerate soil and biodiversity, rotating crops and integrating livestock into combined ecosystems, and implementing hydrological designs that improve water retention⁹. In turn, this strengthens the resilience of agricultural systems and sequesters carbon, supporting farmers while contributing to the fight against climate change.

Engaging with regenerative suppliers is one way that we are working to bring lower emissions and nature-positive products into our supply chain. In 2023, we began our partnership with Wildfarmed, our supplier of regenerative flour¹⁰. Wildfarmed's network of farmers across the UK are committed to transforming farmland into healthy, regenerative fields that support biodiversity and reduce the carbon footprint of baked goods. In 2024, we will continue to build partnerships such as this that align with our sustainability ambitions.

⁹ EIT Food, 'Regenerative Agriculture – mentoring farmers for the benefit of all'.

¹⁰ wildfarmed.co.uk





Step up: Looking ahead.

For 2024, our **Step up** pillar has six key objectives to support us in attaining our longer-term targets.

1

Food waste segregation and reporting

To reduce greenhouse gas (GHG) emissions and negative impacts on nature, while reducing costs on disposal, energy and labour associated with food waste, we will continue to implement our Food Waste Costing the Earth training across all WSH locations.



2

Waste management

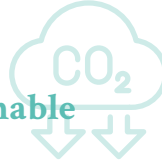
To make progress on our strategy for zero waste to landfill, we will survey all WSH locations to determine how sites manage their waste.



3

Sustainable diets

To reduce GHG emissions from food, we will roll out menu design, recipe assessment, carbon labelling and our customer engagement programme.



4

Sustainable transportation

To reduce GHG emissions from employee commuting and business travel, we will conduct a staff commuting survey for all employees and release our Sustainable Business Travel Policy.



5

Second Nature Academy

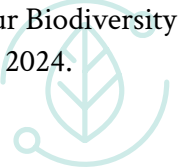
To increase the level of awareness and understanding amongst teams, we will launch our Second Nature Academy, our new sustainability training platform which will begin with courses for Step up and from IEMA for managers and team members.



6

Biodiversity policy

To establish our goals, principles and guidelines for biodiversity conservation and management, we will unveil our Biodiversity Policy in 2024.





Appendix

Our expanding business.

BaxterStorey Europe.

From its beginnings in the UK and Ireland in 2000, BaxterStorey has embodied a commitment to creating beautiful spaces, exciting menus and friendly teams. Its inspiring approach focuses on food, people and the planet – the key ingredients for success in hospitality. BaxterStorey's strategy has enabled international growth in the Netherlands, France, Belgium and Norway.

We are proud to say BaxterStorey supports local ESG initiatives across our European operations, enabling our teams to find meaningful ways to contribute to causes close to their hearts. We are excited to build on existing initiatives as we roll out the Second Nature agenda over the coming years.

Ireland: 2023 saw the introduction of the Deposit Return Scheme with a go-live date of February 2024. Our teams have worked tirelessly to ensure we support and comply with this critical initiative to increase recyclability and move away from single-use products.

Netherlands: Our Dutch business trialled our ambition to increase internal mobility as we supported one person to further his career and relocate from the UK to the Netherlands.

France: Supporting our communities and reducing food waste are critical parts of our local sustainability agenda in France, with our team partnering with Homeless Plus and Les Restos du Coeur to help distribute surplus food to people experiencing homelessness.



France.

France has been a strategic growth area for WSH, with the acquisition of two new businesses since 2022. We are pleased to welcome Musiam Paris and MRS to our family and look forward to all we will create together building on the strong ESG foundations that attracted us to the businesses initially.



Musiam Paris

Acquired in 2022, Musiam Paris offers visitors to iconic cultural and heritage sites such as the Musée du Louvre, Musée d'Orsay and the Château de Versailles, a taste of seasonal gourmet cuisine crafted from fresh ingredients. With over 500 team members, its offerings include commercial catering concessions and events catering.

Musiam's ESG commitments include the following.

- **Work for Beauty:** Dedicated to the cultural, traditional and aesthetic impact of the food and places within which it operates.
- **Work for Good:** Focused on the sourcing of seasonal, local, organic and otherwise sustainably produced ingredients and heightening our guests' awareness about the health and environmental impacts of their meal choices.
- **Work for Sustainability:** Aimed at engaging employees and clients to reduce both the carbon footprint of Musiam's direct operations and the life cycle emissions of its menu offerings while reducing the consumption of natural resources.



MRS

MRS Group specialises in premium and eco-responsible corporate catering and is renowned for delicious, creative, handmade cuisines. MRS prides itself on its focus on healthy foods that respect the environment. WSH acquired MRS in 2023, adding over 900 team members to the WSH family.

Implementing its sustainability ambitions, MRS integrates environmental sustainability across all areas, including production forecasts, product sourcing, partner selection criteria, promotion of vegetarian offerings and 'flexitarianism', waste reduction, employee training and more. MRS also provides ambitious training plans for all its employees, supporting them with career development while promoting the company values of commitment, agility, proximity and team spirit.

A critical focus area for MRS is food waste reduction, which has been encompassed in all aspects of its operations. MRS is also a member of the association La Défense des Aliments to fight against food waste.

MEYERS

Meyers A/S.

We were thrilled to expand our European presence into Denmark through the strategic acquisition of Meyers, a multi-faceted business that runs restaurants and canteens, catering, fruit farming, processing activities, commerce, team building, research, communication, education and consulting services. Meyers is the largest independent lunch and canteen provider in Denmark, and it also offers a strong high-street presence in central Copenhagen, where it is headquartered.

Meyers has holistically integrated sustainability across its organisation, and so the addition of Meyers to the WSH family brings a wealth of knowledge and experience across ESG. Meyers' approach is both broad and focused while always keeping taste as a non-negotiable priority.

Broad sustainability concept: Meyers' approach to sustainability acknowledges the complexity and interconnectedness of sustainable food systems. Climate, biodiversity, marine health and clean groundwater are all critical elements that are addressed cohesively through Meyers' approach.

Ambitious, data-driven effort: The detailed mapping of the environmental impact of meals was a crucial first step in enabling Meyers to take action against climate change and other environmental challenges. This work involved calculating the climate footprint, biodiversity footprint and other key parameters to inform targeted reduction efforts, focusing on engaging.

Taste as a tool: For three decades, Meyers has used good taste as a tool to create changes in the culture and systems around food. By enhancing the focus on plants in the kitchen, the team are able to impact the health and sustainability of their menu choices.

Meyers' credentials demonstrate its commitment to sustainability and accountability.



B Corp: Meyers achieved B-Corp certification in 2023, a significant milestone that underlined Meyers' adherence to top standards of transparency and social and environmental responsibility.



SBTi approval: Meyers was delighted to announce the approval of its near-term science-based targets by the SBTi, demonstrating its commitment to reduce emissions in line with the trajectory required to limit global warming to 1.5°C.

Meyers commits to reducing absolute scope 1 and 2 GHG emissions by 45% by 2030 from a 2021 base year. It also commits to reducing scope 3 GHG emissions from purchased goods and services by 55% per kg of purchased food within the same timeframe.

¹⁴ The target boundary includes land-related emissions and removals from bioenergy feedstocks.

Climate Related Financial Disclosure summary.

The purpose of WSH's first Climate Related Financial Disclosure statement is to provide a better understanding of WSH's exposure and approach to climate-related risks and how we are looking to increase both our resilience to these and incorporate opportunities to mitigate and minimise within Second Nature, our ESG strategy. Oversight and overall accountability for management of the risks and opportunities presented by climate change rests with the WSH ESG Board. The Board will use the output of the Taskforce for Climate related Financial Disclosure (TCFD) process to further our objective of creating long-term sustainable value; ensuring that a deeper awareness of climate change is integrated into our core business model and financial planning. This includes minimising the potential negative impacts of identified risks and maximising opportunities for positive strategic and financial outcomes.

The TCFD process has enabled us to identify 11 climate-related risks and opportunities across short-, medium- and long-term time horizons, against which the potential financial impact of these has been analysed using three different

climate scenarios; 'Net Zero', 'Delayed Transition' and 'Business as Usual'. The insights derived from this analysis has then been applied to inform business planning, risk management, and investment decisions.

The analyses indicate that the overall risk and potential financial impact to our business increases with time, with physical risks dominating in the short to medium term. The longer-term outlook is characterised by more significant transition risks, carrying with it a greater risk of decreasing client and consumer confidence and the ability of our business to respond effectively to shifting taxation, product availability and increased operating costs. Potential climate opportunities centre around emerging shifts in client and customer preferences and the development of new products and services which we can develop and effectively bring to market. These opportunities are expected to remain and grow, with time, particularly under a Business as Usual scenario and reflects WSH's lower emissions intensity, primarily driven by our decentralised and agile buying model.

Whilst we recognise that scenario analysis for the longer-term impact of climate change is heavily dependent on accurate and meaningful data, we remain fully committed to achieve Net Zero by 2040 and are completely focussed on achieving our short and medium targets, set within our Second Nature strategy, to minimise any financial risk to our business.

2023 Progress overview.



Inclusion by Design - We create inclusive workplaces where everyone can thrive

GOAL	TARGET	STATUS
Ensure diversity and inclusion is represented at all levels of our business	Increase marginalised gender representation in leadership roles* to 40% by 2026	On plan
	Increase the representation of employees from mixed & multiple ethnic backgrounds** in leadership roles by 2027 (to reflect regional population demographic)	On plan
	Continuously assess and take actions to improve our gender pay gap***	On plan

* C-suite minus 1 except BaxterStorey where it includes operations directors and equivalents in support functions (sales, finance, IT, HR)

**Regional ethnic diversity as defined by the UK Government and the Office for National Statistics

*** Target revised 2023



Nurturing and growing talent - We help our people grow and succeed

GOAL	TARGET	STATUS
To make WSH an employer of choice within the hospitality industry by providing fair and decent work and to support our colleagues to thrive outside of work	All employees to have access to medical, financial and nutritional advice	On plan
	Strive towards paying all employees, whether directly employed or on client contracts, the real living wage**	On plan
To provide learning and development opportunities for all WSH employees	Increase % of under represented groups* on management development programmes	On plan
	Increase internal mobility within the businesses to ensure a proportion of manager roles are filled internally by 2025**	On plan

*Regional ethnic diversity as defined by the UK Government and the Office for National Statistics

** Target revised 2023



Progressive partnerships - We choose responsible partnerships and work closely to monitor and maintain standards

GOAL	TARGET	STATUS
To continually raise the bar on sourcing standards	100%* of shell hen eggs RSPCA Assured sourced by end of 2023	In progress - targeted completion by end of 2024
	Ensure 100%* of our seafood is responsibly sourced and certified to an independent environmental standards scheme by end of 2023	In progress - targeted completion by end of 2024
	100% of WSH strategic and valued partners signed up to the SCoC by the end of 2023	In progress - targeted completion by end of 2024
	Source 100% of cotton for our uniforms from certified sustainable sources, such as the Better Cotton Initiative, by end of 2024	On plan
	By 2025 100%* of liquid milk directly contracted with UK dairy farmers who are meeting RSPCA Assured standards and committed to achieving Net Zero	On plan
	Achieve an equivalent of Global Business Benchmark for Animal Welfare rating (BBFAW) Tier 3 or above for key categories by end of 2026**	Under review
	To achieve Red Tractor standards* for all fresh meat by end of 2025 and frozen meat by end of 2027	On plan
To source products from areas with no risk of deforestation	Achieve no deforestation across deforestation-linked commodities, latest by end of 2025**	On plan
	100% RSPO certified palm oil within nominated lines and manufacturing and processing facilities by end of 2024	On plan
	100% FSC certified wood and paper products used for manufacturing and processing facilities by end of 2025	On plan
To ensure fair terms and improve working conditions across our supply chain	Ensure 100% of WSH strategic and valued partners are registered on Sedex with a fully completed questionnaire and have a human rights policy in place by the end of 2024	On plan

* Exception applies for religious diets

** Target revised 2023



Step up - We act to reduce our impact on climate and nature

GOAL	TARGET	STATUS
Significantly reduce our carbon emissions to become carbon net zero for all emission scopes by 2040	Achieve net zero across our entire value chain by 2040 compared with a baseline of 2019	On plan
	Reduce our absolute scope 1 and 2 greenhouse gas emissions 80% by 2030 and 90% by 2040, from a 2019 baseline year	On plan
	Reduce Scope 3 economic intensity greenhouse gas emissions 77% by 2030 and 97% by 2040, from a 2019 base year	On plan
	Reduce absolute scope 3 FLAG greenhouse gas emissions 72% by 2040, from a 2019 base year	On plan
	Submit net zero and FLAG targets for validation by SBTi latest by end of May 2023	Achieved
To remove all avoidable waste across our business	Reduce food waste by 20% by 2024 from a 2019 baseline pro-rated	On plan
	Zero waste to landfill (from directly controlled sources) by 2030	On plan
	Eliminate all avoidable* single use-packaging by 2030	Under review

* Packaging that when subtracted will not impact product quality and where a low-impact alternative is available

Supporting information.

Decentralised approach

WSH is a family of leading brands operating independently in the UK and European food and hospitality sectors. While Second Nature and the targets expressed as part of it are valid for all brands, starting points, pace and completion dates will reflect the specifics of each business.

Standards approach

We use international, recognised industry standards and definitions to set our minimum expectations. In areas where – for different reasons – this is not possible (for example, local legislation, market maturity and so on), given our heritage and strong foothold in the UK, we use UK standards to describe our ambition level. Where this is the case, we aim to be fully transparent and will provide information about equivalent local standards to relevant stakeholders.

WSH acquisitions – ESG approach

The Second Nature commitments cover businesses acquired by WSH. We recognise acquisitions are likely to impact our actual status positively or negatively, and we intend to report any impact transparently. We aim to include acquired

businesses in our annual ESG reporting when we have a complete financial year of data at the latest.

Once an acquisition is concluded, we aim to complete the ESG assessment within six months.

If a business is not compliant at the time of an acquisition, they are expected to, as a minimum, reach the standards expressed here over time.

While our ambition is to bring acquired businesses up to the WSH ESG standards as promptly as possible, we reserve the right to restate should they significantly impact our performance in a negative manner.

Supplier definitions

Strategic partner: Actively contributing to Second Nature’s **Progressive partnerships** target success and net zero; these are also known as Tier 1 suppliers.

Valued partner: Working collaboratively with us in assisting with Second Nature’s **Progressive partnerships** progress; these are also known as Tier 2 suppliers.

Data disclaimer

We intend to report relevant, verified and accurate data, preferably using primary data sources.

However, recognising that preliminary data is not yet widely accessible, we accept averages and use assumptions, proxies and estimations to calculate baselines and measure progress. As our data availability and quality improve, we reserve the right to review and evolve how we collect, calculate or report data. In the case of significant changes in methodology or outcome, we will do our utmost to signpost this.

About this report.

Unless otherwise noted, this report conveys information pertaining to WSH Investments Limited, including all UK and Ireland subsidiaries. Data in this report aligns with our financial reporting and covers the period between 29 December 2022 and 28 December 2023 unless otherwise noted. In future reports, new acquisitions will be included in the data reporting.

For further information or questions regarding the 2023 WSH Second Nature Report, contact Annelie Selander, Chief Sustainability Officer, at aselander@wshsupport.com

Visit <https://www.wshlimited.com/> for further information about WSH.

Publication date: 1st June 2024

