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wasabi

ESG Report

March 2024



Contents

Foreword from Henry Birts, CEO	3
Wasabi Seiyaku – our ESG pledge	4

Net Zero

How will Wasabi achieve Net Zero?	6
Understanding our carbon report	7
Tackling our carbon footprint	8
Joining forces: Zero Carbon Forum	9
Saving energy	10
Transforming our transport	11

Sourcing Sustainably

Committed to sourcing sustainably	13
Our sourcing approach	14
Complying, certifying & continually improving	15
Focusing on animal welfare	16

Reduce Waste

How are we reducing waste?	18
Tackling packaging & plastic	19
Not letting good food go to waste	20

Socially Responsible

Playing our part	22
Employee engagement	23
Promoting equality, diversity & inclusion	24
Developing our people	25



Welcome from Henry Birts, CEO

Welcome to Wasabi's environmental, social and governance (ESG) report for 2023. We're proud to be able to share our progress and "Seiyaku" (pledge) to our people, planet and all the communities we serve and touch. Our aim is to truly make Wasabi a "Force for Good" and our plan has been built around 4 foundational pillars:

1. Net Zero by 2040
2. Sustainable sourcing
3. Reducing waste
4. Being socially responsible in everything we do



We've come a long way since we began serving sushi & bento dishes to Londoners back in 2003. We now have over 40 locations across the UK and US and have built the UK's second biggest ready-meals brand, available at over 3,500 supermarkets across the country. We are also proud to create and produce the vast majority of our food in our 65,000 square foot central manufacturing facility in Park Royal. With this growth and scale comes an increased responsibility to minimise our environmental footprint and maximise the positive impact we can have on our customers, teams, suppliers and all the communities and stakeholders we engage with.

Despite significant progress in many areas, we still have a long way to go to come close to achieving our vision. We have a lot to learn in this complex and ever-changing world. We will only ever succeed with the engagement and commitment of our team, who are at the heart of our successes to date and plans going forward. We are committed to work with the best experts in their respective areas, our colleagues in the industry and, of course, our suppliers, who ultimately have the biggest impact on our global footprint.

This report lays out the progress we have made and our plans for the future, which we will continue to measure and report to hold ourselves accountable.

I hope as you read this report you are as excited and motivated as me about the positive impact Wasabi can have.

Henry

A handwritten signature in black ink, appearing to read 'Henry', written over a white background.

Wasabi Seiyaku: Our pledge to ESG progress

Seiyaku means 'pledge' in Japanese and comprises of four ESG pledges to drive meaningful change.



Net zero

We have committed to achieving net zero for scope 1, 2 and 3 greenhouse gas emissions by 2040.

Our 2040 target aligns with the goals of the Science Based Targets initiative and the Paris Agreement on climate change.

Scope 3 emissions accounted for more than 92% of our carbon footprint in 2022.

We have partnered with the Zero Carbon Forum to support our net zero and energy reduction journey.

All Wasabi locations where we manage utilities have used electricity from renewable sources since April 2023.



Sustainable sourcing

We have committed to sourcing food, packaging, materials and services from suppliers determined to reduce their impact on the environment.

In 2024 we will review our supply policies, create a supplier assurance team and begin measuring supplier performance using an ESG scorecard.

We will work with our suppliers to drive ESG improvements and will increase sourcing from within the UK & EU.

As members of Sedex, we actively work with our supply chain to enhance the transparency of our ingredients' origins.

We will be deforestation-free by the end of 2025.



Reduce waste

We have committed to reducing waste and improving the amount of waste we recycle.

We operate a zero waste to land fill policy within our managed estate and continue to work with our landlords to ensure this policy covers all sites.

We're partnered with Too Good to Go and in 2023 saved 190,766 food items from going to waste.

In 2023 we donated 13,096 kg of good food to The Felix Project to prevent waste and which provided 31,181 meals for the less fortunate.

We removed plastic cutlery from our restaurants in 2023.

With our waste management partners, we are developing a packaging strategy and exploring ways to reduce packaging and improve its recyclability.



Socially responsible

We believe in playing our part in supporting positive social impact, within our company and in the communities & customers we serve.

We are committed to fair pay and rewards for all and provide access to benefits our people value.

We regularly engage with our employees through engagement surveys to understand what matters most to them.

We are committed to providing clear career paths and opportunities to grow, via apprenticeships and development programmes.

As a responsible business, we are strengthening our nutritional policy, setting more stringent targets to reduce fat, sugar and salt without compromising taste.



net zero

How will Wasabi achieve net zero?

Wasabi is committed to achieving net zero greenhouse gas emissions by 2040. This commitment is in line with the Science Based Targets initiative.

We aim to achieve net zero for scope 1 and 2 emissions (those from our operations and those from energy that we purchase) by 2030, and for scope 3 emissions (those from our supply chain, outside our direct control) by 2040.

These targets align with the Paris Agreement's goal to limit global warming to 1.5 degrees celsius above pre-industrial levels.

Initially, our focus was on reducing scope 1 and 2 emissions, as these are under our control.

We are now exploring and implementing strategies to reduce scope 3 emissions and working with our supply chain to promote sustainability and ESG initiatives.

In 2024 we will submit our net zero target data to the Science Based Targets initiative for validation and report to the Carbon Disclosure Project (CDP).



**WASABI WILL
ACHIEVE NET
ZERO BY
2040**

Understanding our carbon footprint

Our baseline year for carbon reporting is 2022, data from this year was used to calculate our first carbon footprint.

Our goal for 2024 is to reduce our carbon footprint year-on-year, focusing primarily on tackling our scope 3 emissions through supplier engagement and improved sourcing.

Our total emissions in 2022 equated to 44,958 tCO₂e.

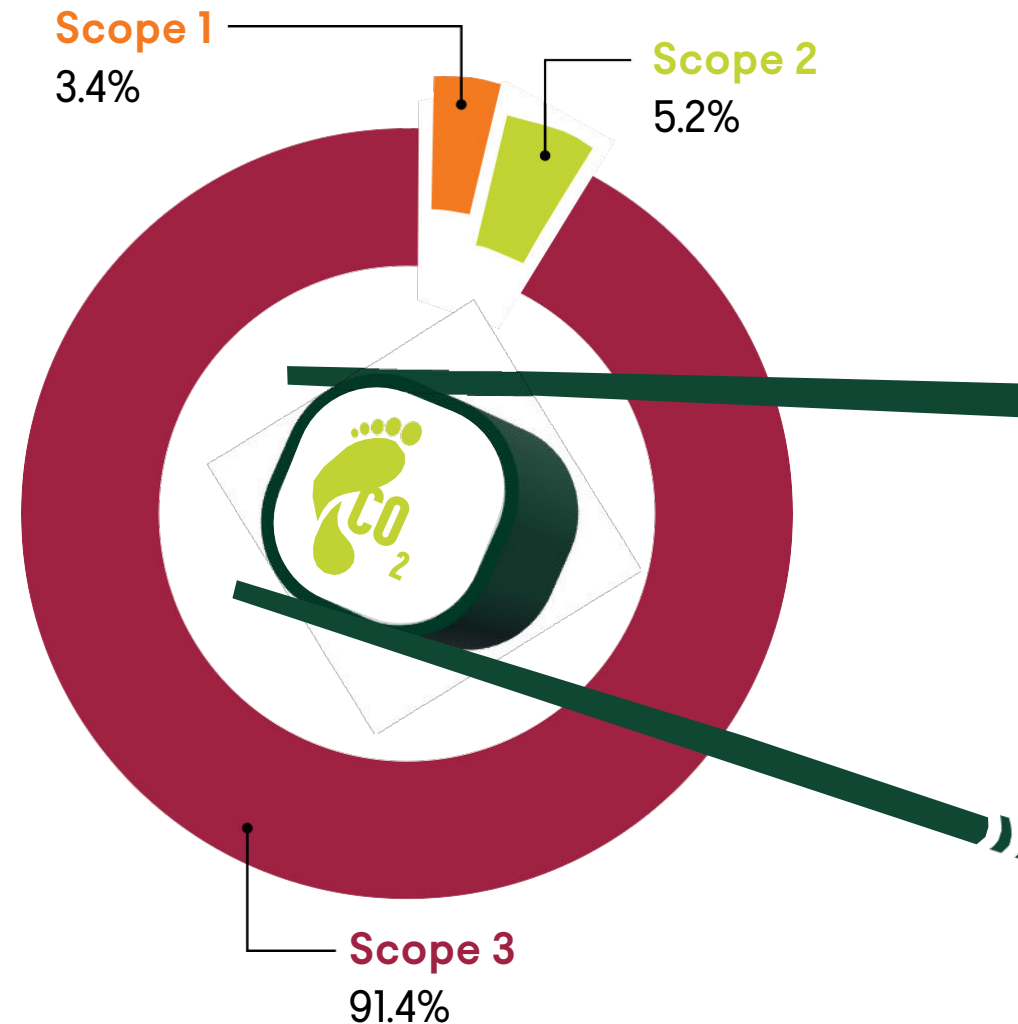
Our emissions fall into three categories, called scopes:

Scope 1 includes direct emissions from our gas appliances and delivery vehicles. These emissions amount to 1,509 tCO₂e.

Scope 2 includes indirect emissions from our purchased energy, such as the electricity we source. These emissions amount to 2,340 tCO₂e.

Scope 3 includes indirect emissions beyond our immediate control, such as those from purchased goods and services, waste management and employee commuting. These emissions, amounting to 41,109 tCO₂e, are our biggest concern.

*tCO₂e stands for tonnes (t) of carbon dioxide (CO₂) equivalent (e)



Tackling our carbon footprint

We have set an ambitious target to achieve net zero by 2040. This is 10 years earlier than the Government's net zero target of 2050. We aim to be net zero for scope 1 and 2 emissions by 2030.

Below are details of the different scopes and how we're planning to tackle key issues.

Scope	Issue	Action
Scope 1	Gas appliances Petrol and diesel vehicles	Introduction of low carbon vehicles in 2024 Removal of gas equipment in restaurants in 2025 Switching to a low-carbon fleet by 2030
Scope 2	Purchased electricity	Working with our landlords to achieve 100% renewable electricity across our operations
Scope 3	Waste management Food waste Purchased goods and services	Improve recycling and reduce packaging in 2024 Reduce food waste by 25% in 2024 Improve supplier performance and approval through Sedex and direct engagement from Leadership Team Cross functional review of sourcing policy

Joining forces to hit targets: Zero Carbon Forum

To support our journey to net zero, Wasabi joined the Zero Carbon Forum in 2023

Zero Carbon Forum is a non-profit organisation that empowers members in the hospitality sector to reach sustainability targets with greater speed, efficiency, and profit, through united efforts.

With roadmaps backed by peers, government, and sustainability experts, we will thrive together.

We have aligned with the Zero Carbon Forum's net zero target of 2040. This also aligns with the aims of the Science Based Targets initiative.

Through the Zero Carbon Forum, we are now actively engaged in addressing this agenda in collaboration with our colleagues in the industry.



Saving energy

The energy we purchase to run our estate makes up 100% of our scope 2 emissions, and 5% of our overall emissions.

All Wasabi locations where we manage utilities have run on renewable electricity since April 2023.

We are moving away from natural gas and aim to remove gas from all Wasabi restaurants by 2025.

All Wasabi locations have smart meters that enable us to track energy consumption. Using the Zero Carbon Forum's energy reduction programme, we'll be monitoring our use throughout 2024, and aiming to reduce our consumption by 20%.

Most of our estate uses LED lighting. In 2024, a full review will be completed as part of our energy reduction programme, to ensure all locations use only LEDs.

2024/25 goals

Reduce energy usage by 20%

LED lights installed at 100% of Wasabi locations

All Wasabi locations where we manage utilities have been running on renewable electricity since April 2023.



Transforming our transport

**Our vehicles make up 15% of our scope 1 emissions.
Employee commuting makes up 3% of our scope 3 emissions.
Together, these account for 2% of our overall emissions.**

We aim to introduce our first low carbon delivery vehicles in 2024, with the aim of creating a net zero fleet by 2030. This will help us achieve our scope 1 net zero targets by 2030 and prevent 110 tCO₂e being emitted annually.

In 2023, we reduced the number of supplier deliveries into our central production unit, and the number of daily deliveries to our restaurants. This contributed to a reduction of 16,380 delivery miles, reducing our greenhouse gas emissions by 34.3 tCO₂e.

E-charging stations are available at our head office, for employees and visitors. We aim to introduce more stations in 2024, to support employee commuting in electric and hybrid vehicles.

Many employees commute by bicycle. Our Cycle 2 Work scheme has encouraged more to do so.

2024/25 goals

Introduce low carbon vehicles

Install four more e-charging stations at our head office & central production unit

**WASABI WILL
OPERATE A FLEET
OF LOW CARBON
DELIVERY VEHICLES
BY 2030**





**Sourcing
sustainably**

Committed to sourcing sustainability

Wasabi is dedicated to a future in which each flavour-filled bite of food delights our taste buds and contributes to a sustainable planet.

We acknowledge our responsibility towards the environment and the communities in which we operate. A pledge to sustainable sourcing is an integral part of our business ethos, influencing every ingredient we choose and every dish we create.

Inline with our aspirations of being a leading sustainability-focused brand, we are reviewing our sourcing policy in 2024 to align with the expectations of our grocery partners and consumers.

The revised policy will incorporate key targets such as increasing UK and EU-sourced food and packaging and our commitment to being 100% deforestation-free by the end of 2025.

We're also working with our suppliers to achieve Global Sustainable Seafood Initiative certification for all our salmon by 2025.

All UK-sourced meat is Red Tractor-certified.

Our commitment extends to a continual review and enhancement of our sourcing policy to adapt to the changing requirements of our grocery partners and to evolving sustainability standards.



2024/25 goals

Increase UK/EU sourcing by 10%

Achieve 100% deforestation free supply chain by end of 2025

Our sourcing approach

“ As key enablers of net zero, Wasabi’s manufacturing and supply chain teams are embarking on a transformative journey across every link in the chain.

We are proud of the work we have done so far but there is a lot more to do.

This report marks the beginning of a new chapter: one in which our actions align with our commitment to the environment, the communities we serve, and the future we envision.

Embracing net zero in our restaurants, central production unit and supply chain is not just a goal, it’s a promise we make to our planet and generations to come.

Reimagining how we source, create and serve our products ensures that every step we take minimises our impact on the environment while maximising positive outcomes for all.



David Dunne
Managing Director Food, Manufacturing and Supply Chain



Complying, certifying and continually improving

Our holistic approach to procurement demonstrates our ambition to combating climate change, promoting animal welfare, reducing food waste and improving food redistribution.

We've partnered with Sedex, a platform on which businesses share ethical and responsible practices in the supply chain. Fair labour and human rights are at the core of our sourcing policies. Through Sedex we will ensure our suppliers comply with international requirements regarding modern slavery, diversity and inclusion.

The main products we source are poultry, salmon, rice, noodles and packaging. These are our focus in 2024 as we begin to tackle our scope 3 emissions.

We have created a cross functional ESG committee and employ external partners to calculate our carbon footprint and support with our carbon reduction program.

Working with our suppliers, we will create a scorecard that measures and monitors suppliers' ESG performance, with a specific focus on food waste, marine impacts, deforestation and agricultural impacts in the value chain.

2024/25 goals

Create supplier scorecard to monitor ESG performance

Join 'Manufacture 2030'



Focusing on animal welfare

We are strong advocates for the wellbeing of animals and acknowledge our responsibility to treat them with kindness and dignity. We commit to upholding elevated welfare standards for all animal products that we procure.

Currently, we require all UK-sourced animal products to be Red Tractor-certified. For products of European origin, we adhere to equivalent certifications such as QS (Quality Scheme for Safe Food) in Germany and IKB Hip (a global chain quality system for the poultry sector) in the Netherlands.

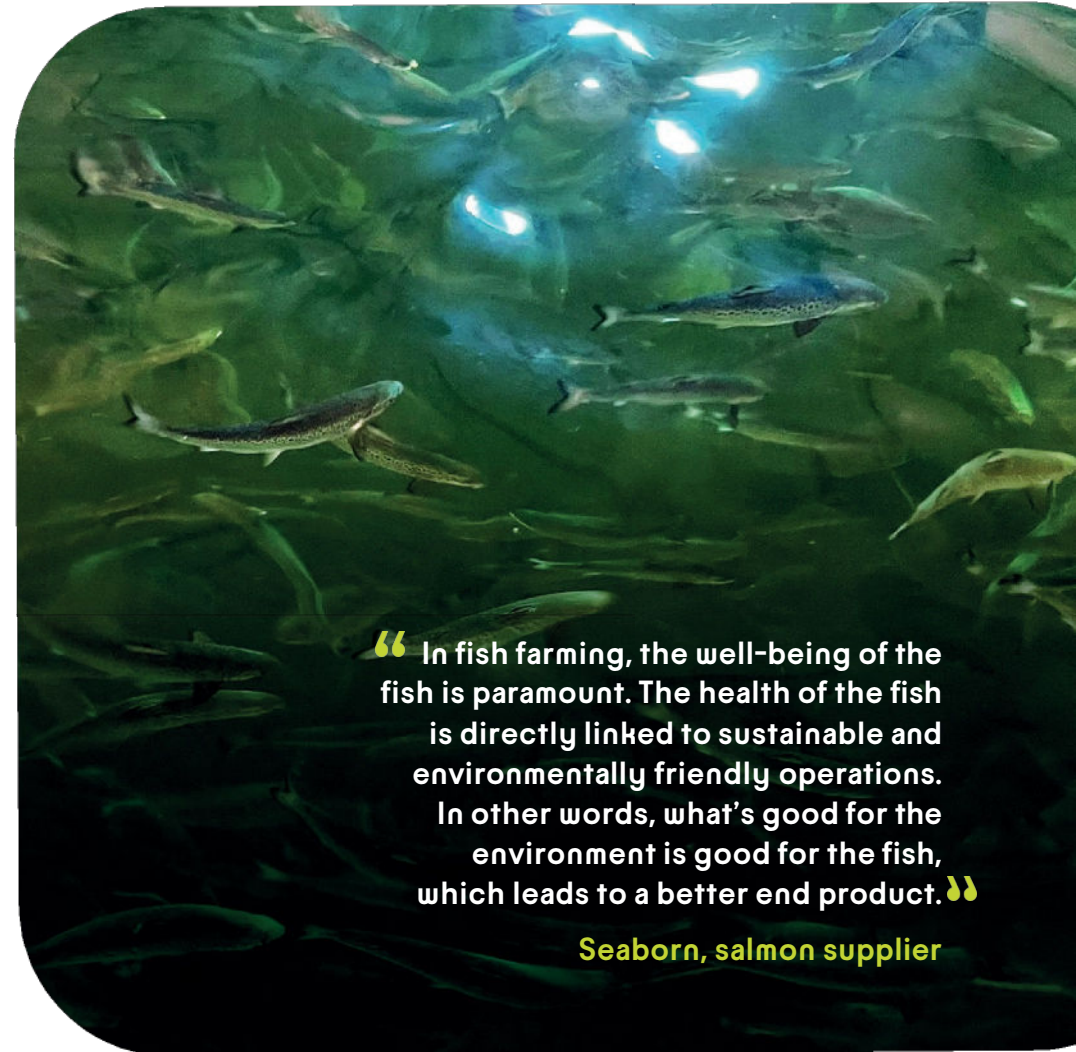
We exclusively procure salmon from suppliers certified by the British Retail Consortium for superior quality. Approximately 50% of our salmon is certified by the Global Animal Partnership (GAP). We aim to source 100% GAP-certified salmon by the end of 2024.

As part of our new sourcing policy, we're undertaking a full review of our animal welfare requirements focusing on seafood and poultry in 2024. This will ensure we have the right certification across all fresh food categories, reinforcing our commitment to sustainable and responsible sourcing.

Animal welfare is a key priority for our investors who take an active interest in our supply chain and undertake supplier visits with our CEO and procurement team.

2024/25 goals

Achieve 100% GLOBALG.A.P.-certified salmon



“ In fish farming, the well-being of the fish is paramount. The health of the fish is directly linked to sustainable and environmentally friendly operations. In other words, what’s good for the environment is good for the fish, which leads to a better end product. ”

Seaborn, salmon supplier



**Reduce
Waste**

How are we reducing waste?

Waste equated to 6% of our scope 3 emissions in 2022 and 5% of our total emissions.

Waste equated to 6% of our scope 3 emissions in 2022 and 5% of our total emissions.

Through our waste management partnership, all Wasabi locations where we manage waste have been zero waste to landfill since 2022. At sites where we don't manage the waste, we're working with landlords to ensure they have a zero to landfill policy with their contractors.

Through improved operational practices, we reduced food waste by 45% at our central production unit in 2023.

Through training and improved waste segregation at our central production unit, we diverted 52 tonnes of plastics to recycling. And by changing how we produce and package food, we eliminated 11 tonnes of plastic waste.

We're working with waste management partners to improve our recycling rates and the recyclability of our packaging.

2024/25 goals

- Reduce general waste by 10%
- Improve recycling at our central production unit
- Introduce segregated waste stations in restaurants



Tackling packaging and plastic

We want to make all customer-facing packaging fully recyclable.

To achieve this, we're undertaking an in-depth review of all packaging and will launch a packaging strategy in 2024. Its core aim is to use only materials that can be collected at kerbsides and recycled by our waste management partners.

To support our scope 3 emissions target, we will source all packaging from within the UK and use only fibre-based materials that are Forest Stewardship Council-certified.

We're aiming to remove all unnecessary packaging from our restaurants by 2025 and are looking at innovative solutions that will support this.

We've replaced plastic cutlery with wood and paper, in line with government legislation on single-use plastics.

In October 2023, we gave all restaurant employees a reusable water bottle. This saved 18,000 plastic bottles and we estimate to save 80,000 plastic bottles in 2024.

In our central production unit and deliveries, we use returnable and reusable pallets and trays. This helps reduce the amount of plastic produced and wasted.



2024/25 goals

Join WRAP's plastic pact
100% of plastic packaging, reusable, recyclable or compostable, with at least 30% recycled content, before the end of 2025

Not letting good food go to waste

We partner with charities and non-profit organisations to prevent edible food going to waste.

Wasabi has partnered with The Felix Project since 2019, making regular food donations from our central production unit. **The Felix Project** collects surplus food from suppliers and redistributes it to charities and schools. In 2023, we donated 13,096 kilograms of surplus food, which equates to 31,181 meals prepared and distributed to people in need.

To enhance our partnership, Wasabi employees have the opportunity to volunteer to spend time working with The Felix Project in 2024.

We've worked with **Too Good To Go** since 2022, to prevent end-of-day food going to waste by enabling consumers to purchase surplus food items. In 2023, this partnership saved an estimated 190,766 food items. We calculate that this equates to 238 Tonnes of CO2 avoided - the same as 47 flights around the world or 156 flights London to Tokyo.

2024/25 goals

100% of restaurants implementing food waste segregation

Reduce end of day food waste by 20%

Start volunteering programme at The Felix Project





Socially
responsible

Playing our part

We believe in playing our part in the broader social agenda, within the company and in the communities we serve.

This means committing to fair pay and reward for our employees, and an environment that enables them to thrive and grow. This includes:

Supporting equality, diversity and inclusion.

Keeping communication channels open, through employee engagement surveys, functional takeover months, and experience days at our central production unit and restaurants.

Providing clear career paths, transparent internal opportunities, apprenticeships and management development programmes.

Providing free meals to all our employees while they're at work.

In the wider community, our commitments include:

Tackling food poverty by donating high quality items that we can't use to those who need it the most, via our partners The Felix Project and Too Good To Go.

Creating and launching balanced menu choices.



Every month last year, we hosted a functional takeover, in which each department planned activities, helping bring to life the part they play at Wasabi. It was a great way to connect teams across the company.

Employee engagement

Listening to all employees and learning what matters most to them has been fundamental to shaping Wasabi. A key part of this is our annual engagement survey, Your Voice Matters. In 2023, 73% of our employees took part.

In 2022, our people asked for improved benefits, . We listened and launched Wagestream and Cycle 2 Work.

Wagestream is a financial wellbeing app that equips employees with tools to track their money, to budget, and to access a percentage of their wages early.

Through the app's Money Matters programme, employees can access financial education and finance coaches. To date, 45% of employees have enrolled in the app.

Cycle 2 Work provides an affordable way for employees to purchase a bike, by taking advantage of a government salary sacrifice scheme.

Perkbox is an online reward and benefits platform that provides discounts on high street shops and brands is available to all employees.

We also offer an employee assistance programme through Perkbox, giving access to counsellors and therapists when our people need someone to turn to.



Promoting equality, diversity and inclusion

Diversity has been crucial to our success to date. We actively embrace our differences and nurture an environment that builds trust and respect.

This applies to our teams, our customers, our investors, our suppliers, and the communities that we serve.

Our managers are trained to practise fair and inclusive recruitment. We focus on recruiting the best talent, and tackling unconscious bias in decision-making. Consequently, more than 63 different nationalities work at Wasabi. We are proud to have a diverse team that brings knowledge and experience from so many backgrounds.

Our people mark and celebrate key festivals at work, including Ramadan, Eid al Fitr, Dashain, Diwali, Nepal Sambat, Easter and Christmas. We invited employees observing Eid al Fitr to host a celebration at the Wasabi Support Centre in 2023.

Wasabi is a median pay employer, with every role benchmarked against industry equivalents. We invested in job levelling and benchmarking data in 2022, enabling us to determine the relative value of jobs, based purely on roles and contributions. This ensures fairness, consistency and equality.

To accelerate our journey to moving all employees towards the 50th percentile, we conducted three pay reviews during 2022 and 2023. All employees are paid above the national living wage.



Developing our people

Wasabi uses STEP training – Striving Towards Excellence Pathway – to develop managers. Every line manager will have completed this training by the end of 2024.

Our Myperformance personal development reviews measure our people's progress, based on clear performance and behavioural goals.

Many of our employees are carrying out apprenticeships, that enable them to enhance their skills and gain nationally recognised qualifications.

We had 33 active apprentices in 2023, covering management, accountancy, procurement, HR and committed to increasing those completing apprenticeships in Wasabi in the future.



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