Matthew Algie’s Commitment to achieve Net Zero by 2040

From Carbon Neutral to Net Zero
At the beginning of our sustainability journey, Matthew Algie aimed for 'Carbon Neutral' operations. With recent advancements in climate science communications and a deeper understanding of our own environmental impact, we are now ready to update our climate strategy and remove these references to carbon neutrality. Today we are setting a Net Zero target. In doing so, we confirm our primary focus on reducing emissions from our operations and actively engaging in the decarbonisation of our supply chains.

Achieving Net Zero by 2040
We are dedicated to taking substantial steps to cut down the emissions associated with our business. Our 'Net Zero by 2040' roadmap will outline the specific goals and milestones we must reach to meet our target. This will include both near- and long-term targets, covering our full carbon inventory of Scope 1, Scope 2 and Scope 3.

Science-Based Targets
We have set these net zero targets in line with industry best practice. We have aligned our targets with the guidance provided by the Science Based Targets Initiative (SBTi). This alignment provides a transparent and structured trajectory for our targets and reduction efforts. While we have not yet sought external validation for our targets, we will continue to share our progress in a transparent manner through annual sustainability reports. In setting 2040 as our Net Zero target year, we are seeking to be more ambitious than the minimum requirements of the SBTi and UN Race to Zero.

Our near-term targets are as follows:

- Matthew Algie commits to reduce Scope 1+2 emissions 63% by 2035 from a 2023 base year.
- Matthew Algie commits to reduce Scope 3 emissions 63% by 2035 from a 2023 base year.

Our Net Zero targets are as follows:

- Matthew Algie commits to reduce Scopes 1+2 90% by 2040 from a 2023 base year.
- Matthew Algie commits to reduce Scope 3 emissions 90% by 2040 from a 2023 base year.

Matthew Algie's partnership with Normative
Our climate strategy has been developed in conjunction with our climate accounting partner Normative. Normative uses a science-backed emissions calculation methodology informed by the Greenhouse Gas Protocol. To achieve the most accurate calculations possible, Normative’s carbon accounting engine can use both transaction and activity data in its emissions calculations, selecting the best approach depending on the type of data provided by a business. The platform then uses intelligent automation to process the business data and combines the processed data with Normative’s large database of scientifically-vetted emissions factors to produce emissions calculations. In addition, Normative can collect emissions data directly from a company’s suppliers to further enhance the quality of the overall calculations.

Carbon Accounting Data

In collaboration with Normative, we have calculated our carbon emissions since 2021. This process allows us to map our impact, set viable targets and reduce the emissions produced by our business and supply chains. Despite having calculated our emissions previously, 2023 is our baseline year due to Matthew Algie absorbing Capitol Foods and Tchibo Coffee International to become Matthew Algie UK and Ireland.

Scope	Category	2023 (tCO_2e)	2024 (tCO_2e)
1	Stationary Combustion	461	457
	Mobile Combustion	909	787
2	Electricity	27	14
3	Purchased goods and services	20,655	25,068
	Capital goods	1,123	202
	Fuel- and Energy-related activities	360	326
	Upstream transportation and distribution	1,737	1,408
	Waste generated in operations	36	552
	Business travel	153	250
	Employee commuting	414	441
	Use of sold products	1,823	2,095
	End-of-life treatment of sold products		2
	Downstream leased assets	2,483	2,420

Between 2023 and 2024, we observed a reduction in Scope 1 and Scope 2 emissions. This decrease is primarily due to a reduction in our ‘Mobile Combustion’ category. In 2024, we replaced 22 of our diesel vehicles with petrol hybrid models. Given the specific fieldwork requirements of our employees and the current infrastructure limitations in the UK, transitioning our fleet to electric vehicles as initially planned in our Net Zero 2024 Roadmap is not yet feasible, and as a result, petrol hybrids represent the most viable alternative. The combination of petrol hybrids in our fleet, and better route planning reducing milage, has decreased emissions that are attributed to ‘Mobile Combustion’ by 13.4%. Additionally, emissions from electricity consumption saw a significant reduction of 47.2%. This was achieved by transitioning the electricity supply in our owned buildings to 100% renewable energy. Emissions from ‘Stationary Combustion’ (gas used in our buildings) remained consistent compared to the previous year.

Overall, comparing 2023 to 2024, there was a 13.8% increase in emissions. Between 2023 and 2024, we observed an increase in emissions related to our 'Purchased Goods and Services' category. This is primarily due to the use of updated emissions factors for 2024, which enables us to better track FLAG (Forest, Land, and Agriculture) emissions in anticipation of future regulatory requirements. Although the quantity of green coffee purchased remained consistent between 2023 and 2024, the updated emissions factors have led to a notable rise in the reported emissions associated with green coffee. We remain dedicated to using the most current methodologies, even when, as in this case, it results in a higher emissions report.

In addition to this, when receiving our 2024 figures, we noticed there had been a calculation error in our ‘Use of sold products’ category in 2023, which led to overcounting. To ensure the accuracy of our data, we have now retrospectively adjusted the 2023 dataset to properly allocate the correct emissions to 'Downstream leased assets’ and ‘Use of sold products’, providing a more accurate reflection of our footprint. Due to a greater number of machines being sold, and a decrease in machines leased between 2023 and 2024, there has consequently been an increase of emissions in 'Use of sold products' by 14.91% and a reduction in ‘Downstream leased assets’ emissions by 2.52%.

Despite an increase in emissions, the improvements we have made to data quality in 2024 leave us optimistic for the year ahead. With more accurate data, we have been able to pinpoint emissions hotspots and, throughout 2024, develop targeted plans to reduce emissions in these areas. This year, we aim to implement these strategies and hope to see a measurable decrease in our Scope 3 emissions, which will be reported in 2026.

Data correct as of 15.04.2025