




MATTHEW
ALGIE

SUSTAINABILITY
REPORT

2025 REPORT

Dear readers,

We are operating in a challenging environment. Awareness of environmental and social responsibility continues to grow, while at the same time uncertainty — economic, regulatory and climatic — shapes the reality of the coffee sector. In this context, it is our responsibility as a company to demonstrate a clear position and maintain a consistent course.

As a family-owned coffee company, taking responsibility is a natural part of who we are. We have been committed to sustainability for many years and continue to pursue this path with conviction, because we believe our engagement can make a difference. This requires the courage to take new approaches, the willingness to drive change, and the ability to continuously adapt in response to transformation across our industry.

Our actions are guided not by obligation alone, but by a genuine desire to create positive impact. At Matthew Algie & Company, sustainability is embedded in our values and business activities. We are convinced that safeguarding livelihoods within our supply chains and protecting natural resources is essential — because they form the foundation of our business and the future of coffee.

Based on this conviction, we have continued to act consistently over the past year. This 2025 Sustainability Report sets out our progress and provides insight into how we are moving closer to our goals. It reflects our ongoing focus on responsible sourcing, environmental stewardship and a workplace culture built on fairness, inclusion and wellbeing.

Thomas Heinen

UK & IRELAND GROUP MANAGING DIRECTOR
Matthew Algie & Company Limited

MILESTONES OF THE YEAR 2025

Over the past year, our work has focused on strengthening the resilience of our supply chains and reducing our environmental impact, while continuing to support our people and partners. Key milestones include:

- Continued investment in responsible coffee sourcing, supporting farmers in building climate resilience and improving long-term livelihoods.
- Further integration of sustainability criteria into our supply chain management and purchasing decisions
- Progress in reducing environmental impact across our operations, with a focus on energy efficiency, waste reduction and packaging improvements
- Ongoing development of a fair, inclusive and supportive workplace, underpinned by wellbeing, learning and engagement initiatives

These achievements are the result of collaborative effort. Partnership across our value chain — from producers and suppliers to customers and colleagues — remains central to addressing complex sustainability challenges. We thank all those who support this journey through their commitment, expertise and trust.

OUTLOOK

We will continue to invest consistently in the sustainability of our business and core processes, guided by a long-term vision for a resilient, responsible and future-proof coffee sector. I invite you to explore the following pages to learn more about our initiatives, data and ambitions — and to continue this journey with us.

ABOUT THIS REPORT

Sustainability has always been an integral part of Matthew Algie's strategy, but as it becomes increasingly more important across the UK, and across the coffee industry, there are a growing number of legal and compliance requirements.

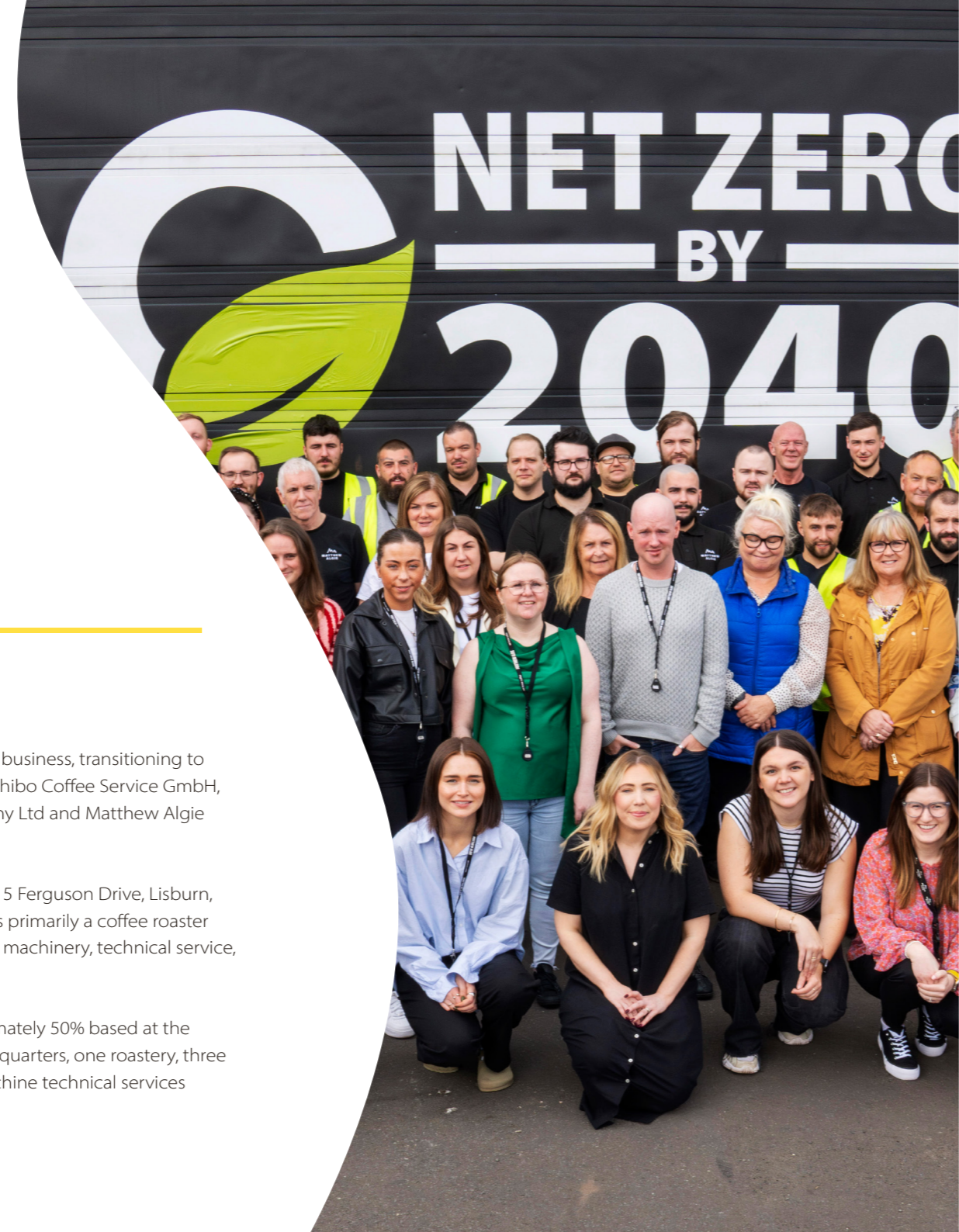
As a subsidiary of Tchibo Coffee Service, and operating within the EU, we are required to be compliant with all EU sustainability regulations, including the need for structured and transparent reporting. This sustainability report represents the first transition to Matthew Algie's reporting in line with the European Sustainability Reporting Standards (ESRS) and the Corporate Sustainability Reporting Directive (CSRD). Please note, this report is not fully adapted to these standards, but the content and structure have been revised for full transition within the coming years.

This report also acts to relaunch our sustainability strategy; to align with current best practice and to ensure we continue to meet the legal requirements asked of us. The report continues to summarise information relevant to our stakeholders and document our progress, building on the 2023/2024 report published in 2025.

All information in this report refers to the sustainability-related business activities of Matthew Algie & Company Ltd, including Matthew Algie Ireland, unless otherwise noted. This includes the company headquarters in Glasgow, including offices, warehouses and the roastery, as well as offices in Epsom and Lisburn, and training schools in London and Dublin.

For questions or comments, our Sustainability Team is available via the contact form on the website or by email at masustainability@matthewalgie.com.





GENERAL DISCLOSURES

ORGANISATION PROFILE

Matthew Algie & Company Ltd was founded in 1846 in Glasgow as a tea blending business, transitioning to coffee in the 1950s. In 2016, the company was acquired by the Hamburg-based Tchibo Coffee Service GmbH, officially merging in 2024 with Capitol Foods to become Matthew Algie & Company Ltd and Matthew Algie (Ireland) Ltd.

The company is based at 16/18 Lawmoor Road, Glasgow, G5 0UL in the UK, and at 5 Ferguson Drive, Lisburn, BT28 2EX for Northern Ireland and Republic of Ireland operations. Matthew Algie is primarily a coffee roaster producing both own and private label products, alongside the provision of coffee machinery, technical service, and ancillary cafe supplies through the Espresso Warehouse brand.

Across the UK and Ireland, Matthew Algie employs over 350 people, with approximately 50% based at the company headquarters in Glasgow. The operational network consists of one headquarters, one roastery, three warehouses, two office locations in Northern Ireland and England, two coffee machine technical services workshops in Glasgow and Lisburn, and training centres in London and Dublin.

MARKETS SERVED

As of 2026, Matthew Algie serves approximately 4000 customers across four primary market segments, referred to as business units. This diversified presence allows us to manage risks and capture opportunities across the full spectrum of the out-of-home coffee market.

RETAIL

Channel comprising partnerships with major national retailers (including Marks & Spencer and Morrisons). This channel includes both branded product supply and private-label roasting services, as well as the provision of café supplies, machines and servicing.

COFFEE TO GO & WORKPLACE

Focused on the growing demand for vending solutions in forecourts, convenience stores and workplaces. This business unit provides end-to-end solutions for customers, primarily using the "Smokin' Bear" coffee brand.

HOSPITALITY (Café, Hotel, Restaurant & Leisure)

Channel covering independent cafés, restaurants, and national hotel chains. This market is wide reaching, represented by all our brands, and a range of traditional and automatic machines.

INSTITUTIONAL (Catering, Healthcare & Education)

Focused on the provision of café solutions and products to key institutions across the UK. This area includes Matthew Algie branded products, as well as private label, offering a strong area for the growth of the "Peak and Wild" brand within educational institutions, with the offering of branded cafes.

SUPPLY CHAIN

Matthew Algie's value chain focuses on long-term strategic partnerships, especially in relation to coffee sourcing. We work to ensure our environmental and ethical standards are upheld throughout the full supply chain. The transparency given through long-term supplier relationships is essential to ensuring there are no adverse impacts to the planet or people. Risk assessments are undertaken annually, primarily focused on coffee, and other high risk raw materials, to map areas of concern. Our operations are divided into three primary phases: Upstream Sourcing, Own Operations (Roasting & Logistics), and Downstream Distribution.

UPSTREAM SOURCING

Green coffee is sourced from farmers and cooperatives globally, with a significant volume being sourced from Brazil and Peru. All other products are sourced through third party manufacturers and we work with global machinery brands for espresso equipment and vending solutions.

OWN OPERATIONS

Manufacturing occurs at our Glasgow Roastery, where green coffee is blended, roasted and packed. The Glasgow Roastery consists of offices, warehouses and a repair centre for machines. The Lisburn site also operates offices, a third-party warehouse and a repair centre for machines. Our operations also cover offices in Epsom, and training schools in London and Dublin.

DOWNSTREAM DISTRIBUTION

Matthew Algie operates a business-to-business model, with products, machines and services being provided to customers through third-party distribution partners. The Glasgow site serves as the distribution centre for mainland UK and EU customers, and the Lisburn site serves Northern Ireland and Republic of Ireland customers.



MATERIAL TOPICS

In 2025, as part of the wider Tchibo Coffee Service Group, we undertook a double materiality analysis, building on the analysis carried out in 2024. This analysis methodology uses the guidance of the ESRS with the assessment dimensions to evaluate our business activities, as well as the entire upstream and downstream value chain, and the subsequent opportunities and risks for the business

The following themes were identified as the most significant for Matthew Algie, and act to inform the basis of our sustainability strategy going forward, as well as the structure of this report:

CLIMATE CHANGE

E1

IRO	VALUE CHAIN	DESCRIPTION	TIME HORIZON
Climate Change Adaption			
Negative Impact (Actual)	Upstream	Actual negative effects on climate change adaptation through soil sealing, land use change and the formation of monocultures in coffee cultivation.	Short-term
Climate Change Mitigation			
Negative Impact (Actual)	Upstream	Actual negative impacts on climate change due to the emission of greenhouse gas emissions in energy-intensive cultivation, procurement and processing processes of the upstream value chain.	Short-term
Negative Impact (Actual)	Own Operations	Actual negative effects on climate change due to the emission of greenhouse gas emissions in energy-intensive processing and distribution processes, as well as for the operation of own warehouse and office locations.	Short-term

POLLUTION

E2

IRO	VALUE CHAIN	DESCRIPTION	TIME HORIZON
Pollution of Water			
Negative Impact (Actual)	Upstream	Actual negative effects on water quality due to pollutant and chemical inputs as well as wastewater in the cultivation and processing of products.	Short-term
Pollution of Air			
Negative Impact (Actual)	Upstream	Actual negative effects on air quality due to energy-intensive business activities such as raw material procurement, cultivation and manufacturing processes in the upstream value chain.	Short-term

WATER & MARINE RESOURCES

E3

IRO	VALUE CHAIN	DESCRIPTION	TIME HORIZON
Water			
Negative Impact (Actual)	Upstream	Actual negative effects on existing water resources due to intensive water use without returning it to the water cycle of the region of the cultivation and processing sites, as well as through the processing of products that require a lot of water.	Short-term

BIODIVERSITY & ECOSYSTEMS

E4

IRO	VALUE CHAIN	DESCRIPTION	TIME HORIZON
Direct Impact Drivers of Biodiversity Loss			
Negative Impact (Actual)	Upstream	Actual negative impacts on the extent and condition of ecosystems due to land-use change in cultivation.	Short-term
Impacts on the State of Species			
Negative Impact (Actual)	Upstream	Actual negative effects on the condition of species due to the use of pesticides in cultivation, as well as through habitat destruction associated with the procurement of certain raw materials.	Short-term

CIRCULAR ECONOMY & RESOURCE USE

E5

IRO	VALUE CHAIN	DESCRIPTION	TIME HORIZON
Resource Inflows, Including Resource Use			
Negative Impact (Actual)	Upstream	Actual negative effects on resource use through the procurement of raw materials and products.	Short-term
Resource Outflows Related to Products and Services			
Negative Impact (Actual)	Downstream	Actual negative effects on waste generation from product packaging as well as lower recyclability and useful life of certain products and materials.	Short-term
Waste			
Negative Impact (Actual)	Downstream	At the end of the life cycle, packaging waste is generated. The products are mainly packaged in plastic and/or cardboard boxes, which can be recycled but are not fully biodegradable. In countries where there is no proper recycling, these can end up in incineration.	Short-term

OWN WORKFORCE

S1

IRO	VALUE CHAIN	DESCRIPTION	TIME HORIZON
Working Conditions			
Negative Impact (Actual)	Own Operations	Actual negative effects on the health of employees due to accidents at work, for example through the handling of hazardous materials and machinery.	Short-term
Equal Treatment and Opportunities for All			
Negative Impact (Potential)	Own Operations	Potentially negative effects due to lack of gender equality.	Short-term
Negative Impact (Actual)	Own Operations	Potentially negative effects of discrimination and harassment in the workplace.	Short-term

BUSINESS CONDUCT

G1

IRO	VALUE CHAIN	DESCRIPTION	TIME HORIZON
Protection of Whistle-Blowers			
Negative Impact (Actual)	Upstream	Potentially negative impact on the protection and safety of whistleblowers due to a lack of legal protection and measures to reduce retaliation in key producing countries	Short-term

Sustainability AT MATTHEW ALGIE









Sustainability has always been integral to the operations of Matthew Algie. Our inaugural sustainability strategy was launched in 2017, establishing five core pillars of impact, but we recognise the current global landscape, and the science behind it, has evolved significantly since then. To remain at the forefront, it is important that we now reassess and evaluate our commitments to ensure they align with the latest climate science and global best practices.

The progress and change we need to make needs to be bigger and needs to be more impactful. Our first strategy and Net Zero roadmap lack the detail required to make meaningful change, and although we have made continual improvements, our near-term goals are not as ambitious as they should be. With this in mind, we are relaunching our sustainability strategy and sustainability 5-year plan.



OUR SUSTAINABILITY STRATEGY

With consideration to current best practice, and the Environmental, Social and Governance framework for sustainability, our strategy follows a three-pillar structure combining areas of business importance and regulation requirements. These three pillars, and their associated risks and challenges, have been identified through our materiality assessments and are aligned with the relevant UN Sustainable Development Goals.

PILLAR	PROCUREMENT	PLANET	PEOPLE
Identified Challenges	<p>Impact of high coffee prices due to scarcity.</p> <p>Conflict disrupting supply chains.</p> <p>Lack of whistle-blower protections in key sourcing countries.</p>	<p>Climate change impacts quality and yield of coffee.</p> <p>Pollution of air and water through our operations.</p> <p>Ecosystem degradation and biodiversity loss at coffee origin.</p>	<p>Social impact of climate change.</p> <p>Coffee supply chains are vulnerable to Modern Slavery and Child Labour.</p>
Strategy	Integration of sustainability as part of our operational structure.	Reducing the impact we have on the planet.	Supporting the communities and people around us.
Related UN Sustainable Development Goals	  	 	  

OUR SUSTAINABILITY 5 YEAR PLAN

MATTHEW ALGIE: PROJECT 2030

Our published roadmap to Net Zero outlines key milestones that need achieving, in combination with wider sustainability goals. We are committed to achieving Net Zero by 2040 and this 5-year plan, Matthew Algie: Project 2030, looks to expand on these goals, adding greater detail.

Our public commitments are ambitious yet remain attainable through planning and strategic foresight. This five-year plan aligns our immediate operational objectives with the incremental milestones defined in our Net Zero Roadmap. By distilling long-term targets into manageable five-year cycles, we ensure consistent momentum toward our ultimate sustainability vision.

To maintain transparency, these objectives are further disaggregated into annual KPIs, with progress disclosed in our yearly sustainability report. Governance is provided by the internal Environmental Committee and the Sustainability Team, who oversee both strategic communication and cross-functional implementation. In 2030, we will conduct a formal strategic review to integrate emerging scientific and technological advancements into our 2035 trajectory.

The subsequent goals for Matthew Algie: Project 2030 are as follows -

PROCUREMENT

80% of all Suppliers committed to Net Zero/SBTi Targets	Mandate climate disclosures for all Tier 1 and 2 Suppliers	Zero deforestation in the coffee supply chain	Zero deforestation in the cocoa supply chain	95% of coffee has at least one certification
---------------------------------------------------------	------------------------------------------------------------	-----------------------------------------------	----------------------------------------------	----------------------------------------------

PLANET

50% reduction in Scope 1&2 emissions	35% reduction in Scope 3 emissions	100% recyclable packaging for all product packaging
--------------------------------------	------------------------------------	-----------------------------------------------------

PEOPLE

Invest in at least 3 projects at coffee origin	At least 4 origin visits to strategic coffee suppliers	Annual fundraiser for our charity partner	Maintain our 'Living Wage Employer' status
------------------------------------------------	--------------------------------------------------------	-------------------------------------------	--------------------------------------------

In order to reduce our Scope 1,2 and 3 emissions, the Planet goals are further expanded to the following strategic areas:

50% REDUCTION IN SCOPE 1&2 EMISSIONS

100% renewable electrical energy supply in owned buildings	40% decrease in car and van emissions
------------------------------------------------------------	---------------------------------------

35% REDUCTION IN SCOPE 3 EMISSIONS

90% reduction in food waste	Zero waste to landfill	Waste that is not recycled to less than 5%	Reduce business travel emissions by 30%
-----------------------------	------------------------	--------------------------------------------	-----------------------------------------

This strategy is designed to be dynamic. By embedding sustainability into our core operational DNA, we ensure that our progress is measurable, repeatable, and scalable. As we continue to align our reporting to CSRD and ESRS, and refresh our materiality analyses, we may add goals and share additional KPI data where required. These goals form the base of our strategy and our 5-year plan, but we recognise we need to adapt to be compliant. We remain committed to transparent disclosure and will continue to share our successes, challenges, and key learnings as we advance toward our 2030, 2035 and 2040 milestones.

REFLECTING ON OUR 2025 PROGRESS

Our previous sustainability structure and report set out our goals for 2025. We value the progress made over the last year, but aim to report the associated data in line with our new strategy.

The main focus of 2025 was towards EUDR compliance. With a small team and the complexities of traceability systems, the majority of the focus was in this area. Despite the EU's ultimate decision to delay this legislation, we had successfully achieved full compliance by the end of the year and continue to implement compliance requirements throughout 2026 to ensure we are ready for the postponed deadline.

The time cost of this project is ultimately evident within our achievements. Although there has been progress in 2025, we recognise that it isn't as substantial as we want it to be, or as it should be. Transparency is essential, we must share where we have failed as part of our journey, and how we aim to be better in the coming years.



PROCUREMENT

Ensuring our procurement procedures and governance within complex and notoriously opaque supply chains are aligned with the evolving compliance requirements means the integration of sustainability into our operational structure. We aim to lead by example and are committed to working with Suppliers who hold our environmental and ethical values and standards, whilst ensuring effective grievance mechanisms are implemented where appropriate.

2025 GOAL	PROGRESS
90% of coffee we source has at least one certification	This was achieved. Over 90% of coffee sourced in 2025 had at least one certification.
Visit at least 1 key sourcing origin	Other business commitments led to our origin trips being paused in 2025 but we have already been out to visit our producer partners in Ethiopia in 2026 and have Peru and Brazil booked.
Provide 70% of Core suppliers with coffee contracts prior to or in the first month of the harvest season	This was achieved. 91% of coffee volume bought from core Suppliers was agreed prior to the harvest season.
20% of our Matthew Algie coffee product range are packed in recyclable packaging	This was not achieved but roll out is due to start Q2 2026.
Create, share and agree carbon reduction plan with 5 named suppliers	Due to internal staff changes, this was not completed. This target has been reviewed and adapted within our Sustainability 5 Year Plan.
Communicate our requirements for human rights and environment due diligence to key suppliers (those supplying us products containing high-risk raw materials)	All supplier questionnaires were updated in 2025 to include environmental and ethical due diligence requirements. This will continue to be rolled as questionnaires are updated.
All key suppliers have emissions data requirement written into contracts (those suppliers that are in the top 5% of supply chain emissions contributors)	Due to internal staff changes, this was not completed. This target has been reviewed and adapted within our Sustainability 5 Year Plan.

PLANET

With regular visits to coffee origin over the years, the impact of climate change within these regions is evident. As climate change continues to escalate, the quality and availability of coffee will rapidly decrease, presenting a real challenge to our business. More recently, the effects of climate change have been seen within the UK, disrupting large areas of the country. We believe that Matthew Algie has a responsibility to work towards reducing our environmental impact, and therefore the impact the business has on the communities in which we operate. We are committed to the targets set out in the Paris Agreement, and to achieve Net Zero by 2040.

2025 GOAL	PROGRESS
Reduce Scope 1 and 2 emissions by 15% from 2023 baseline	Our internal data suggests our reduction was 14.3% from our 2023 baseline. This data will be confirmed and calculations verified later in 2026 as we calculate our total emissions for 2026. This data will be published on our website in our 'Carbon Reduction Plan'.
Reduce percentage of waste that is not recycled to less than 10%	15.3% of the waste generated on our sites was not recycled in 2025.
Reduce our fleet emissions by 20% compared to 2023 baseline	Our internal data suggests our reduction was 16.8% from our 2023 baseline. This data will be confirmed and calculations verified later in 2026 as we calculate our total emissions for 2026. This data will be published on our website in our 'Carbon Reduction Plan'.
Reduce our business travel emissions (planes, trains and hotels) by 5%	For Business Travel emissions, we used 2024 as our baseline, which suggests a 2.3% increase. This data will be confirmed and calculations verified later in 2026 as we calculate our total emissions for 2026. This data will be published on our website in our 'Carbon Reduction Plan'.
100% of employees participate in training on environmental issues	Roll out of new HR training modules on PeopleHR includes an environmental module. New staff induction contains a specific sustainability and environmental section.

PEOPLE

Matthew Algie has a social responsibility for the people and communities that are involved or impacted by our business activities. For our stakeholders we promote diversity and equal opportunities, ensuring fair pay throughout 'Living Wage Employer' status. Within our supply chains, we risk assess all coffee producing origins to prevent the exploitation of people and aim to invest in projects to support these communities.



2025 GOAL	PROGRESS
100% of employee reviews conducted and managed via PeopleHR	Achieved.
Launch of new online induction e-learning modules	Achieved. All employees required to complete e-learning modules as standard.
Provide employability training to 50+ young people	Due to internal staff changes, and time constraints this was not completed.
50 hours of volunteering	Due to internal staff changes, and time constraints this was not completed.
Fundraise £2,000 for our chosen charity partners	£1394 raised for our charity partners and MacMillian.

GOALS FOR 2026

Our 2026 objectives represent the inaugural phase of Matthew Algie: Project 2030. These targets are aligned with our overarching strategy, serving as the foundational milestones required to systematically achieve our 2030 ambitions. The progress against these goals will be published within our 2026 Sustainability Report.

PROCUREMENT

20% of all Suppliers committed to Net Zero/SBTi Targets

Identify Tier 1 and 2 suppliers and have climate disclosures mandated in contracts for 6 Suppliers.

Zero deforestation in the coffee supply chain

Zero deforestation in the cocoa supply chain

94% of coffee has at least one certification

PLANET

20% reduction in Scope 1&2 emissions

100% renewable electrical energy supply in owned buildings

25% decrease in car and van emissions

7% reduction in Scope 3 emissions

86% reduction in food waste supply

Zero waste to landfill

Waste that is not recycled to less than 9%

Reduce business travel emissions by 7%

PEOPLE

Invest in at least 1 project at coffee origin

Visit 1 key coffee sourcing origin

Annual fundraiser for our charity partner

Maintain our 'Living Wage Employer' status

