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DARE to GIVE α DAMN

At SXOLLIE we give a damn about making the best damn cider in the world and have hustled to ensure it has no crap in it. We use only natural ingredients and don't add any sugar. We give a damn about making a positive impact on the world and we care deeply about the status of our planet, the happiness of our people, and fellow humans.

Everyone has the potential to shape real change if you are fully present in life's experiences. Be bold. Take risks. Hustle. Stand up for what you believe in. It's about giving a damn, no matter how big or small.

We dare to give a damn, do you?

ABOUT SXOLLIE

SXOLLIE is owned and operated by Karlau Ltd, a UK entity.

The company has one subsidiary, Crafty Brands Pty Ltd in South Africa which is wholly owned by Karlau Ltd. Karlau Ltd is classified as a small business. The business is managed by the founders and supported by the Board.

The company employs 12 wonderful people (as at the end of 2022) all based at our head office in Ealing, London.

Simply put, *SXOLLIE* has the simple objective of making profit from selling cider while creating a positive social and environmental impact. SXOLLIE undertakes the production, sales, marketing and distribution of a high-quality cider.

We have been working with many of our suppliers since inception, and take care to ensure we work with ethical suppliers, with whom SXOLLIE has had a long standing relationship.

We are growing quickly, and supply some of the major retailers including Sainsbury's, Tesco, Morrisons, Waitrose & WH Smith. We are the exclusive cider at Nando's and are on draught at M&B, Greene King and scores of independents in London.

We've won multiple awards for our awesome liquid including Best Cider in the World at the International Cider Challenge.



award winning liquid





SXOLLIE noun Sko-llie

- 1. [Sociology] South African term for a cheeky rascal
- 2. [Pronunciation] sko-llie like trolley
- 3. [Composition] fresh pressed, eating apples
- 4. [Fact] The only B Corp certified cider in the UK

LETTER FROM THE CEO

SXOLLIE became a certified B Corp in February 2022, and I am thrilled to share our first B Corp Impact Report.

At SXOLLIE we dare to give a damn, and becoming a B Corp was an incredibly meaningful step for us, as sustainability has always been at the core of our business.

The certification process was certainly rigorous, and at times it forced us to re-evaluate our impact assumptions and make changes to our practices. We completed this process during lockdown, which gave us an added sense of purpose during a difficult time and enabled us to demonstrate our commitment to upholding our values to our team while they were on furlough.

Being a part of the B Corp community has been an incredible experience. We are proud to be part of a group of 6,000 companies that prioritise purpose above profit and are committed to creating a better world. We are continuously inspired to see our fellow B Corps strive for positive social and environmental impact, and we look forward to continued collaboration with them in making the world a better place.

At SXOLLIE, we remain committed to minimizing our environmental impact, supporting the communities in which we operate, valuing our employees, and operating with transparency and ethics. We believe that these values are not just good for business, but they are also essential for creating a better world for everyone.

Thank you for your support and for joining us on this journey towards a more sustainable and equitable future.

Laura Clacey Founder







UN SDG AND WHERE WE HAVE AN IMPACT



■ POSITIVE IMPACT ■ NEGATIVE IMPACT BEING MITIGATED





































OUR PEOPLE

We are only as good as our people.

At SXOLLIE we look after our people.

In an uncertain economic climate, youth are disproportionately adversely affected.

At SXOLLIE we prioritse the employment of young people, teaching them skills and providing them with development opportunities.



SXOLLIE is made entirely using eating apples. Therefore we don't need to add any sugar, concentrate or water.

We make SXOLLIE in a winery rather than a factory. This allows us to use wine-making techniques to get the best out of each apple.

SXOLLIE is vegan & gluten free.





We actively seek ethical suppliers in developing countries, or areas.

We assess our suppliers regularly to ensure they share our values.

MINIMISING ENVIRONMENTAL IMPACT

SXOLLIE is made using eating apples that aren't pretty enough for supermarket shelves.

We continuously assess our supply chain to improve our environmental impact.

We are carbon neutral.

NO ADDED

SXOLLIE

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COMMUNITY

Our community includes:

Ealing, London Hospitality workers B Corp Where we produce

OUR STAKEHOLDERS

An important part of being a B Corp is considering all of our stakeholders as we commit to having a greater positive impact than merely making a profit. Stakeholders are individuals or groups who have an interest or concern in an organization's activities and can be affected by its actions. By considering stakeholders in their decision-making processes, we can ensure that we are meeting these standards and fulfilling our commitment to creating a more sustainable and equitable world. We believe that having a positive relationship with our stakeholders will set us up for long term growth and success.

OUR STAKEHOLDERS	HOW WE CONSIDER THEM						
Suppliers	 We meet in person with our large suppliers at least every 2 years, and have at least monthly correspondence with them. We require all large, or high risk suppliers to complete a new customer form and ensure they meet our standards. Pricing is determined collaboratively and we never underpay. We keep suppliers up to date with the development of the business regularly. 						
Customers	 We engage with our customers as often as we can and attend many events to ensure we understand their requirements. We contribute towards all sustainability initiatives we are invited to. We work with our larger customers to improve their sustainability performance. 						
Consumers	 Last year, we directly engaged 151 000 consumers through events and activation. We ensure we sell alcohol responsibly through the actions of our team and by being a part of DrinkAware. We obtain customer feedback through surveys and directly through email and social media. We address all issues and concerns within a week. 						
Our people	 We engage with our teams on a daily basis. We ensure our team have appropriate training to advance their careers and engage with them to understand what training they require. We keep the team up to date with our financial performance quarterly and they have access to financial performance on a day to day basis. We are members of the Fair Wage Foundation. 						
Our community	 We are a proud member of the B Corp community and partake in regular webinars and in person events. We are proud member of the Ealing community in London and update the Ealing Business Forum regularly on our performance and developments. 						
Government	 We engage both the South African and UK Government as often as possible and provide commentary on any proposed policy related to cider and small businesses. We uphold all relevant laws and regulations in all countries in which we operate. 						
Investors	We provide investors with a quarterly update and video call to address any queries.						



"CIDER MIGHT BE BEST ALCOHOL TO DRINK FOR THE ENVIRONMENT"

https://nationalenvironmentalpro.com/guide-drinking-best-alcohol-for-the-environment/

IT'S ABOUT THE RAW MATERIAL



There are countless raw materials out there you could ferment... typically you would use barley/wheat to make beer, grapes to make wine, potatoes or cane sugar to make gin etc. In some countries they even use maize and rice to make alcohol. We use apples. To grow many of the source ingredients listed above requires large tracts of annual crops such as wheat and barley which deplete nitrogen and other nutrients in the soil. Also, they require a huge amount of water to grow. Hmm not good for our feverish planet right?

SXOLLIE

But all is not lost, we still have fermentable sugars in fruit. Yipee. And, it's a widely known fact that the production of apples as a crop uses far less energy and water to produce than other fruit. So as a raw material, making alcohol from apples wins every time!













AND BETTER PRODUCTION METHODS

If it's too hot in the kitchen... get out!

In order to turn the sugar into alcohol, you need the yeast to eat up that sugar = fermentation. To ferment grains, you first need to boil them. But our apples have more than enough convertible sugar just as they are so fermentation occurs naturally, without heat. This significantly reduces CO₂ emissions in cider production.

And don't forget the angels share...

To create spirits, the alcohol needs to be distilled through boiling and capturing the alcohol. We repeat - heating generates emissions.

SXOLLIE

SXOLLIE is made in a winery using stainless steel wine tanks. No intervention required.



IADE BETTER ETHICAL <mark>SUPPLY</mark> CHAIN MINIMISING ENV<mark>RONME</mark>NTAL IMPACT OUR PEOPLE COM

APPLES GROW BEST IN THE SUNSHINE



A potted history of cider in the UK

The more sunshine, the juicier the apple. Although the UK has a long history of cider making, they are highly tannic and bitter apples that no one in their right mind wants to eat. When raw sugar became available, cidermakers realised they could add this before ferment to increase the alcohol content, and afterwards to make it taste OK.

And hey presto modern British cider was born with tonnes of imported sugar used.

So what?

- Besides the bleeding obvious waistline issues (hello, and welcome HFSS!), we know sugar is bad for you.
- The sugar supply chain is notoriously opaque, and some is even sourced from countries with serious modern slavery and human rights concerns, but alas you don't see the "produced in" on the back of that bag. EEK!
- Producing sugar requires a huge amount of milling, processing, boiling etc which is obviously bad for the environment hello CO2!
- This sugar is shipped very long distances to get to that UK cider producer's door.
- Artificial sugar then? Well let's just not go there!

SXOLLIE

SXOLLIE uses delicious eating apples that already taste good, so we don't need to add any sugar, artificial colouring or sweeteners to make it taste good. We have estimated the carbon footprint of adding sugar to cider pre and post fermentation as 77gCO2e/litre, which we have eliminated given that we do not add sugar. Likewise, by not using sugar we are preserving soil, water consumption and wildlife damage caused through sugar production.



CONCENTRATED PROGRESS?

What is concentrate

In today's world of I want it, and I want it now, producers use apple concentrate to produce cider quickly, and on demand throughout the year. It also helps as the sugar is concentrated, so a bit like serving apple squash to a hoard of thirsty schoolchildren, cider producers take the apple concentrate, add a bit of water and hefty helping of extra sugar (to up the alcohol) and hey presto behold a Mc Donalds style mass produced cider.

So what?

Well, a few what's really;

- Where did that concentrate come from? China/India? And how did it get here? The cider maker may have "local" branding, but the raw materials may have been shipped from an unknown location.
- The emissions to boil up those apples is huge!
- It leaves a sickly sticky-toffee flavour but very little apple characteristic, so how do they make it appley again? Apple extract flavouring?



At SXOLLIE

we believe in leaving nature to do its work. We don't need to, so we don't add any concentrate or water to our SXOLLIE.

This means it not only tastes like the apples it's made from, but also it's better for the planet, and it's people.





· /~)

CHOOSING THE RIGHT SUPPLIERS

What we've always done

Each apple is fully traceable to the exact orchard and block.

We have found an incredible bottling supplier in the UK and our glass bottles are made on-site, meaning that we reduce a huge amount of emissions as the glass literally only travels 200 metres from moulding to bottling.

Our apples farmer in South Africa is owned by a foundation where profits are distributed to projects to save the enironment and provide better livelihood for local communities.

Our winemaker has won many awards for their efforts to protect local fauna and are World Wildlife Foundations Gold Members.

We visit all our material suppliers every two years to

All of our suppliers are certified with relevant certification to ensure that minimum wage is

We prioritise suppliers in poor and developing regions.

We work with many micro, small and family owned suppliers.

Pricing of product is determined collaboratively with supplier. On-site visits are made to suppliers at least every



What we did in 2022

We continue to give preference to suppliers who share our

With economic uncertainty in South Africa and material risks to our supply chain, we have begun trials with European grown apples with a focus on regional and poorer economies within the region.

We have experienced unprecedented price increases in 2022 and prioritised allowing our current suppliers in poorer economies to increase their prices.



Plans for 2023 and Beyond

We will continue to explore more territories with a focus on quality and working with ethical suppliers who share our

Formalise our supplier review process and improve supplier data collection.







LET'S NOT GET WASTED

By our very nature we remove waste from the system!

Waste is a major crisis. We are actually solving a waste problem as all of our apples are the ones not pretty enough for the supermarket shelves. So, if we didn't take them, they would likely go to waste.

But there's more - at SXOLLIE 100% of our product and packaging is recyclable. Better yet, in 2022 we removed almost all plastic from our packaging.

But more importantly, unlike most other alcohol producers we have 0% waste to landfill in production as all that nutrient rich pulp gets reused in the orchards and surrounding farms giving back to nature what we took out!







WASTE STREAMS - PRODUCT

Waste streams and what happens to it

Apples:

All apple pulp is reused as fertiliser.

This has a positive impact on the planet.

o% waste to landfill.

Plastic:

Unitl 2022 we used plastic kegs, and had plastic wrapping around our 8 pack bottles.

What we said we'd do:

We said we would eliminate all plastic from our supply chain by 2024.

What we did:

In 2022 we moved to reusable steel kegs, and removed almost all of our plastic packaging (except at one retailer who refused to move to the boxes).

Glass:

By far, our biggest environmental impact in packaging is from glass.

What we do:

All of our glass wastage during production is sent straight back to the furnace for smelting as the smelter is on the same site. This is carried by LPG vehicles.

Our glass is made from over 70% recycled material.

All of our glass is recyclable.

We have a three year life cycle and so do not need to destroy stock past it's sell by date.

However, not all consumers recycle glass. We ensure we have labelling compelling consumers to recycle.

What we said we'd do:

In 2022 we planned to launch aluminium cans into the market. We've done this and we hope to see an increase in uptake in 2023 and beyond.

We are working with UK government on the DRS scheme and fully support it's implementation.

Paper:

Our bottles and cans are packaged into cardboard boxes.

All of our cardboard is fully recyclable. Most is disposed of appropriately at retailers and customers.

We have also placed labelling on our packaging imploring users to recycle.

Aluminium:

Our can's are fully recyclable however not all consumers recycle cans. We ensure we have labelling requesting consumers to recycle.

Our bottle caps are made from 30% recycled material.

Wood:

We use chep pallets which are in a closed loop cycle and repaired. There is minimal waste created.

Office:

We have waste separation in our office and recycle whatever we can.

We dispose of e waste and batteries appropriately.









TACKLING CLIMATE CHANGE

WE USE LOWER IMPACT SHIPPING METHODS, AND OUR SHIPPING EMISSIONS ARE OFFSET.

AS A RESPONSIBLE CORPORATE CITIZEN, AT SXOLLIE WE OFFSET OUR TEAM TRAVEL AND OFFICE EMISSIONS. IN 2023 WE PLAN TO OFFSET OUR PACKAGING EMISSIONS THROUGH CLIMATE CARE, A FELLOW B CORP.

TO REDUCE OUR FOOTPRINT WE USE SHARED OFFICE SPACE IN EALING LONDON

WE HAVE NO COMPANY VEHICLES AND RENT WHEN WE HAVE EVENTS

OUR TEAM USE THE LONDON UNDERGROUND, BUT MOSTLY CYCLE USING SHARED BIKE SCHEMES.

Our Emissions

	2019 (BASELINE)	2020	%INCREASE	GROWTH OF BUSINESS	2021	term to consequent posterior base to	GROWTH OF BUSINESS	2022	%INCREASE	GROWTH OF BUSINESS
cope 1	О	0	0%	1 -	0	0%		0	0%	1
cope 2	0	0	0%		0	0%		0	0%	
Scope 3					Scope 3			Scope 3		
taff Travel	0.9	0.3	-207%		0.5	39%		0.9	47%	
aper	no data			69%	0.02		6%	0.1	83%	138.00%
lass				69%	60.3			162.1	63%	
lastio		no data			1.9			2.71	29%	
lumunium					0.4			1	64%	
hared Office	2.3	5.674	59%		5.7	0%		5.7	0%	



MADE BETTER ETHICAL SUPPLY CHAIN MINIMISING ENVIRONMENTAL IMPACT OUR PEOPLE COMMUNITY T

TACKLING CLIMATE CHANGE





100 200 300 400 500

Source: IMO GHG Study, 2009 (*AP Moller-Maersk, 2014. Graph provided courtesy of the International Chamber of Shipping (ICS)

Facility: than duces for the International Chamber of Shipping (ICS)

Facility: than duces facility: the International Chamber of Shipping (ICS)

Source: IMO GHG Study, 2009 (*AP Moller-Maersk, 2014. Graph provided courtesy of the International Chamber of Shipping (ICS)

Plans For 2023 And Beyond

Work through our scope 3 emissions to gain a cradle to grave outlook.

Explore lower emission distribution options

Develop a list of environmentally friendly suppliers for office supplies

What we could have done better

Water balance not developed

Scope 3 not developed

We did not eliminate all plastic.

We get a lot of questions about the fact that

Ne get a lot of questions abroad. As von can

SXOTITE has come from abroad. We get a lot of questions about the fact that

We get a lot of questions about the fact that

SXOLLIE has come from the left mad travel is SXULLIE has come from abroad. As you can abroad travel is see from the table on the left, road travel is see from the intensive than chimning see from the table on the left, road to 26% more intensive than shipping. The emissions from shipping 1 batch of driving 227 The emissions from shipping 1 batch of driving 227 km

SXOLLIE is the equivalent of driving 227 km As most locally produced ciders obtain glass

As most locally produced or far from the manufactured abroad or far from the manutactured abroad, or tar from the in fact manutactured abroad, or tar from the in fact our emissions are in fact our facility, we believe our produced cidere as our facility, then locally produced cidere as our facility, we have locally produced cidere as our facility, we have locally produced cidere as our facility. As most locally produced claers obtain the imanufactured abroad, or far from the manufactured abroad, or a manufactured abroad abroad, or a manufactured abroad abroad, or a manufactured abroad a tacuny, we believe our emissions are in tai lower than locally produced ciders as our lower translocations are in tai lower than locally produced ciders as our locally produced ciders are locally produced ciders as our locally produced ciders are locally produced ciders and locally produced ciders are locally produced ciders in a truck. SXOLLIE travels less than 60km in total glass is produced on site. prior to bottling.



OUR BELIEFS

- We believe that TRADE NOT AID creates job opportunities in disadvantaged communities by working with suppliers where our business will make a difference.
- We give a damn about our employees wellbeing and having a diverse workforce
- We believe hospitality needs more female representation
- We believe that youth are our saviours and we have an obligation to help young people find fulfilling careers

2023 and beyond

- Maintain equity in gender, pay and ethnic minority.
- Place our team on private healthcare
- Improve HR and training
- Roll out better performance management tools to get the best out of our team.

OUR PEOPL

- Institute volunteer days
- Become fair wage certified

TRADE NOT AID

We give several damns

We care about the environment, but more so, we REALLY care about people and their livelihoods. South Africa is a developing nation and our mission when we started was to use the amazing fruit that nature has lovingly ripened for us while positively impacting socio-economic development through trade rather than aid (which we believe has many failings). As we grow we are adding to the talent pool in South Africa of skilled humans.



OUR PEOPLE

Our people aren't numbers, but if we must, here's 2022:

GENDER PAY GAP

2%

Benchmark:

The 2022 mean GPG (the difference between men's and women's average hourly pay) is 5.45% and the median is 9.71%. (2)

FEMALE REPRESENTATION

50%

Benchmark:

An estimated 48% of the team were women.(4)

INTERNAL PROMOTIONS

2

Benchmark:

An estimated 48% of the team were women.(4)

HIGHEST VS LOWEST PAID EMPLOYEE

2X

Benchmark:

FTSE 100 CEOs are taking home around 190 times what the average UK worker makes and nearly 400 times what the lowest paid receive (1)

ENCOURAGING WOMEN INTO HOSPITALITY

4 FEMALES IN SALES INTERNS

Benchmark:

Women remain underrepresented in UK's hospitality industry leadership. (3)

FEMALES IN MANAGEMENT

50%

Benchmark:

An estimated 42% of managers were women.(4)

OUR PEOPL



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(N)



YOUTH

Youth Empowerment

And even on our home turf we strive to make a difference to the community; at our head-office in Ealing we took on 8 lovely young humans who have been identified as being at risk of long term unemployment, and are offering them a 6 month placement under a government scheme to learn new skills and enter the workforce as fully fledged employable adults. They have blown us away at how quickly they pick up new skills, they have taught us so much as well!

KICKSTARTER

KICKSTARTERS

8

Benchmark:

Young people from some demographic groups and backgrounds may face more barriers when seeking employment. (5)

What we did

8 Kickstarters received over 3 weeks of formal training and hundreds of hours of on-the-job training and received assistance with deciding on their next career choice and were provided with appropriate reference letters. We employed 2 Kickstarters permanently and one kickstarter began an apprenticeship in data analysis through SXOLLIE.

APPRENTICES

1

Benchmark:

Young people from certain demographic groups and backgrounds may face barriers to work that do not affect others. (5)

What we did

We employed 2 Kickstarters permanently on a full time basis one of which began an apprenticeship in data analysis through SXOLLIE.

% TEAM UNDER 25 YEARS
OLD
50%

Wh<mark>at we did</mark>

We actively recruit graduates.











B Corp Community

We are active members of the B Corp Community. In 2022 we attended and sponsored numerous events in support of this amazing movement. This included:

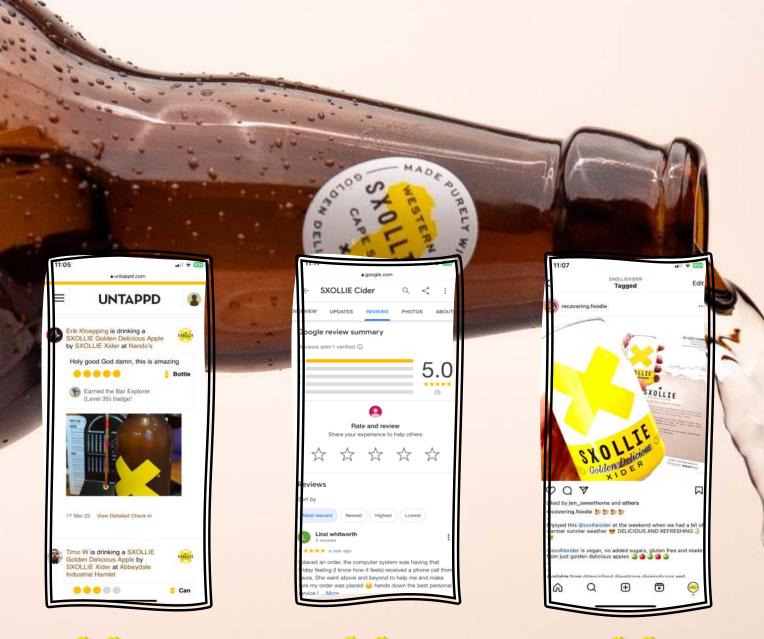
- Rebel Book Club
- B Corp events
- Room :

Certified



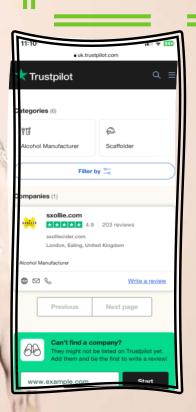






Our consumers

We actively seek out public feedback on our product and service and are proud to have high ratings across all forums including Google, Facebook and Trustpilot as well as industry specific platforms such as Untapped.











AND THAT'S THE APPLE OF OUR EYE



SXOLLIE