



2021

Sustainability report.





Mission.

It's simple. We work with nature, not against it, in our journey towards a more sustainable way of life and business.

Vision.

We make doing good, good for business. Every day we work to inspire businesses to incorporate sustainability into their operations, supply chain and bottom line. Changing an industry for the better - pioneering compostable packaging in New Zealand.



Consider this report Ecoware's blueprint for the sustainable development of the company. We lay down a pathway to progress, highlighting where we have been successful and where we can improve in our goal to be the best sustainable food and beverage packaging company in the world.

Since our inception 10 years ago, we have pioneered a better way for packaging companies, providing a benchmark for other packaging companies, showing them how to

tread more lightly on our planet. But like we've always said, sustainability is a journey of constant improvement and not a destination.

In publishing this report, we hope to clarify, reassure and enlighten through the transparency of our business. By highlighting our progress against goals, we hope to not only augment your trust but inspire sustainable development within your company.

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Sustainability to us.

A letter by James Calver and Alex Magaraggia,
co-founders of Ecoware.



Alex left,
James right.

Since our inception 10 years ago, Ecoware has been on a mission to create a sustainable future for Kiwis through a circular economy. Our goal as a company is to diminish waste to landfill and minimise environmental pollutants – which is why sustainability is at the forefront of our business strategy and product offering.

As it stands, composting remains the only proven and practical solution to divert organic waste (including food and compostable packaging) away from landfill. This is why all of our products are made from plants and are commercially compostable. We've already swapped 1.4 billion pieces of packaging with plant-based compostable alternatives over the past 10 years, and we are not slowing down anytime soon.

This year, we have made great strides towards our company goals. We are incredibly proud to become the first ever Toitū Climate Positive certified organisation – meaning we are no longer just measuring and offsetting our emissions, we are making big strides to reduce them. This certification is the most robust of its kind. Toitū Climate Positive is much more holistic than other standards which only require a net surplus of offsets; it requires organisations to take more responsibility for their value chain emissions and focus investments in broader environmental and social outcomes.

This year we also celebrate eight years as a Toitū carbonzero business. When we started our journey as a carbonzero company we were the only packaging company to do so, so it brings us great joy to see other companies step up and take ownership of their emissions too. This is just one example of how Ecoware has paved the way for the New Zealand packaging industry.

We hope that through these certifications we can set a benchmark for Kiwi companies by providing a blueprint of how to tread more lightly on our planet. It's relatively simple for Kiwi businesses to better their sustainability practices and consider their wider

environmental and social impact – especially when there are easy full-circle solutions like compostable plant-based packaging and composting.

However, ultimately it's the focus we put on our people, our customers and our supply chain that makes Ecoware successful. As a company, we remained strong through a global pandemic that hit us and our customers hard. It put unforeseeable pressure on our supply chain and required us to strategically plan, pivot and adapt through what was a tough time for the entire world. It's times like these that test company culture, values and strength of business strategy. We have and will continue to come out of times like this without veering away from our ultimate goal of zero waste and without compromising our commitment to this planet.

And finally it's worth recognising the innovation and capability at Ecoware. As we continue to ideate packaging solutions for a wide range of businesses from hotels to airlines to your favourite local restaurants and cafes, our plant-based alternatives have become more price-competitive with better evolving technologies and production facilities, allowing us to remove more plastic from the environment than ever before. We're also working with customers on in-venue end of life solutions, connecting them with local compost collection and processing facilities to better assure product ends up in the right place, achieving a circular economy.

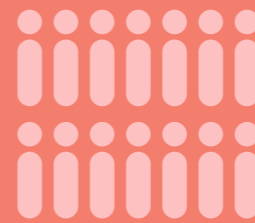
As we've mentioned before, sustainability is a journey not a destination. Whilst we are proud of the strides we've made, we have a long way to go to achieve zero waste and will continue paving the way for Kiwis and people and customers around the world.

James & Alex
Ecoware Co-Founders

Snapshot of Ecoware.



Total employees



14

Ecoware in the world



- NZ
- Australia
- Rarotonga
- New Caledonia
- UK
- Hongkong
- Vanuatu
- Fiji
- Tahiti
- Spain
- Peru
- Chile

Product SKUs: ~900



Pieces of plastic packaging swapped for Ecoware's plant-based compostable alternatives over the past 10 years:

1.4 billion

Ecoware production facilities



Customers using Ecoware packaging in NZ:

2526



Types of customers



Cafes & Eateries



Food Trucks



Stadiums



Grocery



Airlines



Ferries



Hotels



Schools



Food Delivery

Our Products.

Ecoware products are a step towards a circular economy; packaging produced by nature, designed to be commercially composted after use.

Our products are made from rapidly renewable and responsibly sourced plant material like bamboo, paper and corn. Great importance is placed on material integrity, which is of particular importance as our industry experiences rapid growth.



Made from plants, not oil

The majority of Ecoware products are made entirely from plant material.



Non-toxic inks

Our inks are either soy or water-based and are non-toxic.



Sustainable

Our products provide a sustainable alternative to traditional plastic food packaging.



Made from renewable resources

Most of our raw materials are produced by nature - we prioritise renewable resources.



Commercially compostable

Our products have been certified or trialled for commercial and/or home composting.



Delivery without delay

We provide overnight delivery nationwide, enabled by three warehouses across NZ.



Paper from managed plantations

We prefer to use paper from responsibly managed plantations.

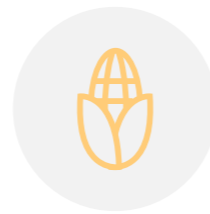


Toitū Climate Positive certified

We don't just measure and offset, we've set science-based targets to reduce emissions across our value chain and make a broader societal impact.

RAW MATERIALS

Bioplastic (PLA).



Our bioplastic is a natural polyester derived from 100% renewable plant material - maize, or field corn. We prefer to use the world's most reputable brand, Ingeo™. It looks, feels and performs like traditional plastic, but is low-emission and plant-based, providing an exceptional, sustainable product. Ingeo's footprint is small, at full capacity Ingeo represents < 1/20th of one percent of global corn production.

During production, Ingeo emits up to 80% less CO2 than the comparable manufacture of traditional plastic like PS and PET*. It is this product that has completely revolutionised takeaway food and beverage packaging. All NatureWorks Ingeo™ product is certified to ISCC and a proportion of it to ISCC Plus. By 2021, all Ingeo™ will be 100% ISCC Plus.

- 1 kg of PLA requires 2 kgs of maize
- 1,000 8oz Ecoware hot cups = 1.68kgs of maize
- 1,000 12oz Ecoware hot cups = 2.13kg maize

The manufacturing process uses a small portion of the kernel while animal feed is co-produced as an additional product stream. This is to minimise as much waste as possible. PLA is routinely composted around the world in commercial facilities and holds international composting certificates - ASTM D6400, EN 13432 and AS 4736. Ingeo™ is used to manufacture hot paper cups, clear cold cups and lids, deli containers and lids, bioplastic straws and bioplastic cutlery.

*Life Cycle Inventory and Impact Assessment data for 2014 Ingeo™ Polylactide Production. Industrial Biotechnology, June 2015.

RAW MATERIALS

Paper / Wood



Paper and wood are great plastic alternatives that make for durable and sustainable packaging. But it's essential that this material is sourced responsibly, to avoid negative environmental impacts. One of the best ways to prove responsible sourcing is to achieve third-party accreditation. Given that 52% of Ecoware packaging comes from trees, the most valuable certification we could have is from The Forest Stewardship Council (FSC).

FSC is a nonprofit on a mission to "promote environmentally appropriate, socially beneficial and economically viable management of the world's forests". In becoming FSC certified, you show that you comply with the highest social and environmental standards on the market for forestry management.

Breakdown of paper/wood product categories:

Product	Material	FSC
Napkins and carrier trays	Recycled	FSC Certified
Paper cups, bowls and straws	Virgin	FSC Certified
Kraft board and bags	Virgin	An area of focus
Wood product	Virgin	An area of focus
Noodle Boxes	Not certified	An area of focus

RAW MATERIALS

Bamboo.



One of the world's fastest growing plants, bamboo fibre is an ideal raw material for packaging. The strength in the molecular structure provides a heavy duty and robust product, which makes our bamboo food packaging suitable for both hot and cold foods, and is oven and freezer friendly.

Our bamboo supplier's source of bamboo is a by-product from existing agriculture. The waste material is a pulp substance that we mould into food packaging using advanced production equipment.

Bamboo is certified for commercial composting to ASTM D6400.

EcoRoll Premium Bamboo TP

Our EcoRoll TP is tree-free and made with sustainable FSC certified bamboo (FSC-C142978). EcoRoll is also proudly plastic free, right down to the packaging tape. The rolls are hygienically wrapped in recyclable tissue paper and delivered in bulk to reduce delivery footprint.



RAW MATERIALS

Sugarcane.



Our sugarcane range is certified for home and commercial composting. This means that consumers can play an active role in the diversion of organic waste from landfill, and it will break down with food waste into non-toxic biomass.

Sugarcane packaging is made from the byproduct after sugarcane stalk has been processed. Like bamboo, it is fast-growing, and the fibres are moulded to make our packaging. Internationally certified for both home and commercial composting, it will break down with food waste into non-toxic biomass.

Certified under ASTM D6868, EN 13432, AS 5810-2010, and AS 4736-2006 standards.





COMPOST COLLECT

How it works.



Why does composting matter?

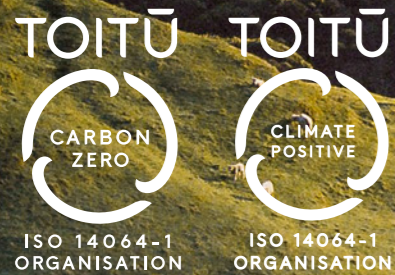
Kiwi's dispose of \$872 million worth of food waste each year, 122,500 tonnes - the equivalent of 213 jumbo jets. When food decomposes in landfills without oxygen, it releases methane – a harmful greenhouse gas which can be 84 times more potent than carbon dioxide. This greenhouse gas traps and absorbs heat which slowly over time is raising the earth's temperature (worldwildlife.org).

On the flipside, decomposing organic matter like food scraps offers vital nutrients for our soils to continue producing the fruit, veggies and living things we need to survive. It's an essential part of our ecosystem and protects our soil. There needs to be a shift in the way we see food waste – let's look at it as a resource rather than garbage. We need to change the meaning of waste if we want to move to a sustainable circular economy.

A full-circle solution for our customers

Compost Collect is Ecoware's own full-circle composting initiative which provides plant-based compostable packaging solutions, on-site compost bins and access to local compost collection and processing facilities. The programme is now available in 7 of New Zealand's main cities and Ecoware is working with more local collection and processing facilities to take it nationwide. [Watch more here](#) and see how our customers are using Compost Collect to provide a better waste solution for their customers.

Climate Positive, not just carbon neutral.



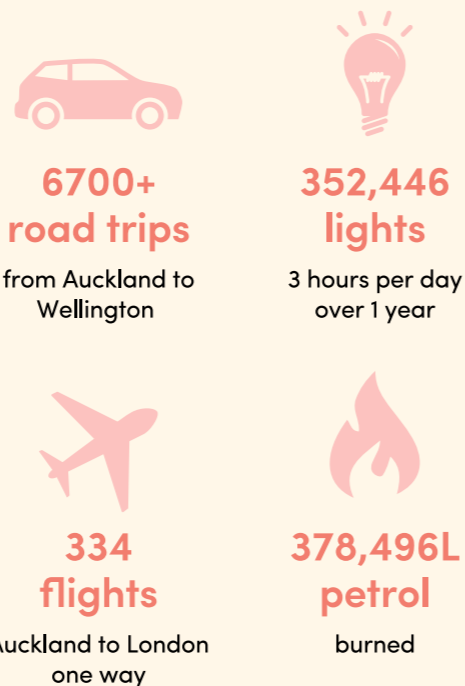
Ecoware is the first and only company to become Toitū climate positive certified. This means we no longer just offset our emissions with a monetary amount, we have also set ourselves science based targets, set out to influence supply chains and educate our stakeholders about how they can reduce their emissions too.

We have committed to achieve our targets by 2030, with 3 yearly progress checks.

We were also the first Toitū carbonzero certified packaging company and have been for 8 years. Something we plan to continue long into the future.

Since partnering with Toitū we have measured, offset and set out to reduce our emissions annually.

To date, we have offset a total a total of 922 tonnes of Co2e which is equivalent to:



We've identified a number of opportunities for emission reduction within our operations and have a solid plan to reduce these over the next 8-10 years. To achieve this we'll be looking at a number of things including opting for more sustainable fuel sources, better utilising innovative technologies and even re-assessing service providers based on their own emission reduction plans.

The largest focus areas for us to reduce emissions are:

- Sea Freight
- Air Travel
- Road Freight
- Petrol

“Despite our growth, last year we reduced our overall emissions by 18%”

Your emissions

We use the Environmental Benefits Calculator to provide annual audits of your packaging consumption and present real term measurements on the environmental benefits generated by using Ecoware products.

These measurements include accurate environmental savings on greenhouse gas emissions and fossil fuel savings.





Aligning with the United Nations Sustainable Development Goals.

Sustainable development cannot operate in isolation. It requires a collective commitment to shared goals.

As a Toitu Climate Positive company, we've aligned our company goals with the United Nations Sustainable Development Goals. This is to ensure our efforts will contribute to climate change.

Below are the SDGs that we can directly help towards positively impacting.

8 GOOD JOBS AND ECONOMIC GROWTH 	9 INNOVATION AND INFRASTRUCTURE 
11 SUSTAINABLE CITIES AND COMMUNITIES 	12 RESPONSIBLE CONSUMPTION 
13 CLIMATE ACTION 	15 LIFE ON LAND 

A person wearing dark pants and a dark green sweater is holding a white bucket with a metal handle. The bucket has a green plastic liner protruding from the top. The background is a lush garden with various green plants and foliage.

Progress Report 2019/2021.

Our sustainability goals are at the forefront of everything that we do and we aim to measure against our goals yearly. Last year we didn't report due to the unforeseeable pandemic COVID-19, however we remained focused on our 2019 goals and rolled out a number of initiatives that went above and beyond what we had originally set out to achieve. As a company, we didn't veer off path when times got tough and are incredibly proud of the achievements we made.



1. Diverting Waste From Landfill



Ecoware's new Compost Collect programme is now available in 7 of New Zealand's main cities – a programme which provides a full circle composting solution for Ecoware customers.



We are founding members of The Public Place Recycling Scheme, an industry funded program that helps Kiwis recycle when they are away from home. The programme reduces litter and increases awareness on “doing the right thing”.



WasteMINZ is the authoritative voice on waste and resource recovery in New Zealand. It achieves positive industry development through strengthening relationships, facilitating collaboration, knowledge sharing and championing best practice standards. We are a proud WasteMINZ member.



Ecoware has a vital role to play in supporting the schools and food distribution companies involved with certified compostable packaging – a safe, hygienic and environmentally friendly solution. We also educate students around organic waste disposal and reducing waste to landfill.

DIVERTING WASTE FROM LANDFILL

Collection & Processing



Goal: Work with local waste companies and councils to improve access to compost collection and processing facilities for Kiwi businesses, and therefore diverting more organic waste from landfill.



Progress	Next steps
<p>We officially launched Compost Collect which is now available in 7 of New Zealand's main cities – a programme which provides a full circle composting solution for Ecoware customers. Watch more here and see how our customers are using Compost Collect to provide a better waste solution for their customers.</p> <p>Increased the number of Ecoware customers using organic waste bins, with 80 customers using Ecoware bins and others using another organic waste bin.</p>	<p>Increase the number of our customers using Compost Collect.</p> <p>Expand Compost Collect across more cities in New Zealand and work with more compost collectors and processing facilities to make it more accessible to more customers.</p>

Home Composting



Goal: Encourage home composting at consumer level to build awareness and understanding around the value of food waste for soil health.



Progress	Next steps
<p>Some of Ecoware's products can be composted domestically in a home compost bin and these have been clearly labelled as home compostable in our online store.</p> <p>We also engaged with home composting guru Urban Botanist to create A Beginner's Guide To Home Composting which we shared via our marketing channels.</p> <p>We've created a specific Instagram highlight reel for home composting education.</p>	<p>Accelerate education for students around home composting in conjunction with our involvement in the Ka Ora, Ka Ako Healthy School Lunches Programme (see following page).</p> <p>Continue to promote home composting on our social pages and in our blog, including building on our Instagram highlights reel.</p>

Customer & Consumer



Goal: Educate customers to increase awareness and understanding of compostable packaging.



Progress	Next steps
<p>Since our last report, we've published around 40 pieces of content on our blog. These have been shared on our social pages and directly with industry partners. We've built our email database to ~5000 people and social platforms to ~30,000 people.</p>	<p>Continue to publish educational blog content and share with our audience, with a focus on video content.</p> <p>Continue to increase email database and social media following.</p>

Schools Education



Goal: Develop a legacy of zero-waste in our country by teaching our young and giving them the tools they need to continue working towards a sustainable circular economy.



Progress	Next steps
We kicked off our partnership with Ka Ora, Ka Ako Healthy School Lunch Programme. As of March 2021, more than eight million lunches were served in 542 schools to over 132,600 deserving kids. Ecovare has a vital role to play in supporting the schools and food distribution companies involved with certified compostable packaging. Importantly, we have been able to help educate and support Kiwi kids about what to do with their lunch waste when they are finished eating through school signage and internal communications.	On-site education in more schools to teach children about organic waste disposal and the importance of reducing waste to landfill via composting. We'll look to place large compost bin facilities in schools.

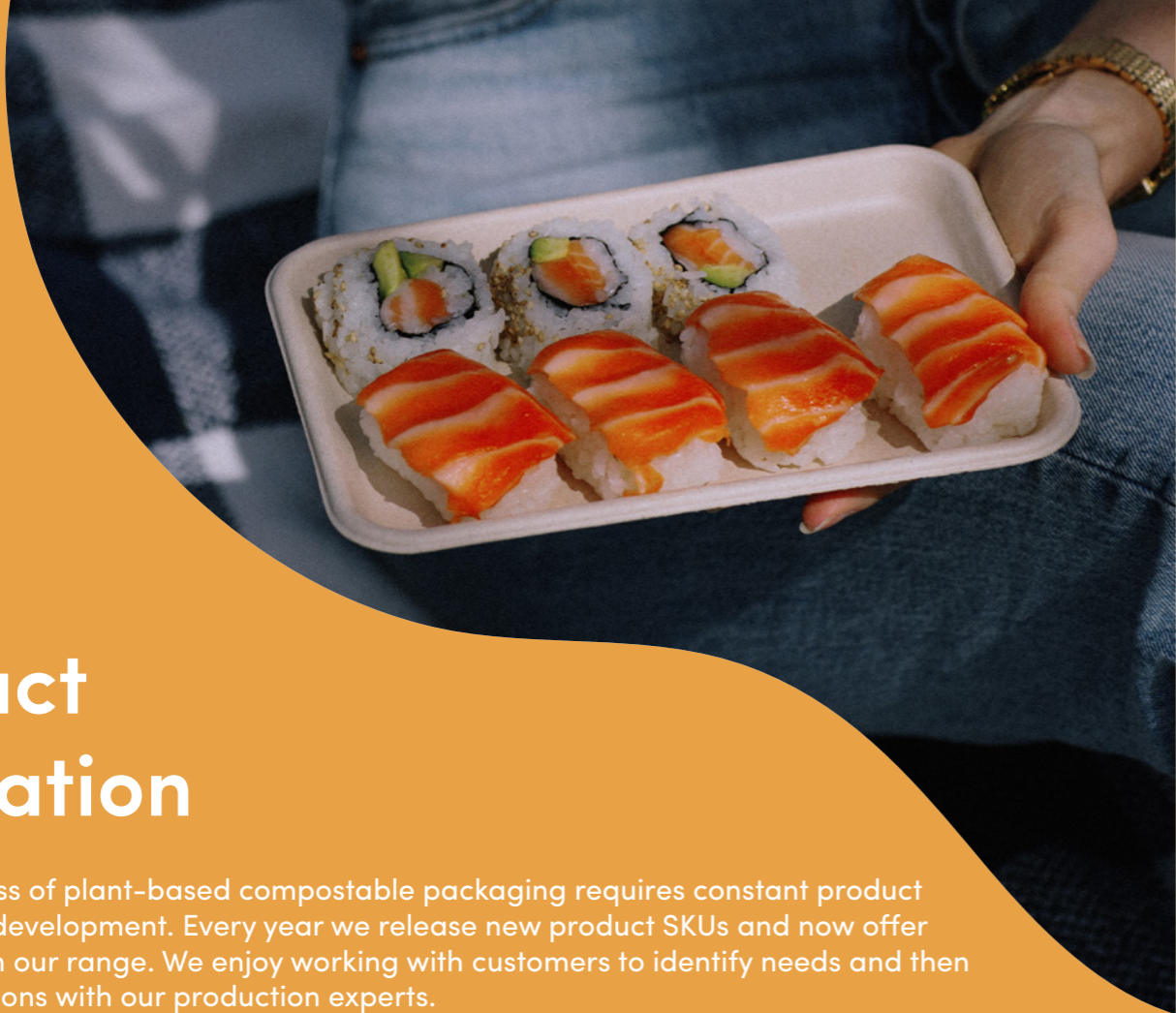
National Composting Logo



Goal: Remain actively involved in the development of a national composting logo to maintain the integrity of our industry.



Progress	Next steps
We remain in working groups (e.g. The Packaging Forum) to help develop the framework for a national logo.	Remain actively involved to support development.



2. Product Innovation

Our core business of plant-based compostable packaging requires constant product innovation and development. Every year we release new product SKUs and now offer over 900 SKUs in our range. We enjoy working with customers to identify needs and then innovating solutions with our production experts.

Transparency is key, so we have a list of products and their respective certifications available on request. You can also learn more about our certifications on our website.

Our certifications

Materials & Ethics

- Ingeo™
- FSC – Forest Stewardship Council certification
- BRC – Global Standard for Packaging Materials
- BSCI – Business Social Compliance Initiative
- ISO HACCP – Hazard Analysis Critical Control Point Management System
- Sedex – Supplier Ethical Data Exchange

Food Safety

- FDA American Food Safety test report PASS
- LFGB EU Food Safety test report PASS
- ISO 22000 – Food Safety System Management
- SGS test report – EU Food Safety test report PASS

Composting

- EN 1343 – European Certificate for Commercial Composting
- AS 4736 – Australasian Certificate for Composting
- AS 5810 – Australasian Standard for Home Composting
- BPI – American Certificate for Commercial Composting
- ASTM D6400 – International Standard for Commercially Compostable Plastics
- OKCOMPOST – International Standard for Commercial Composting
- OKCOMPOST HOME – International Standard for Home Composting

PRODUCT INNOVATION

FSC Certifications

in progress

Goal: Attain FSC Certification for our remaining paper, wood and bamboo products.



Progress

FSC certification is the world's most stringent forestry management scheme so involves complying to a list of core requirements within the entire supply chain, from forest to retail shelf. Our operations team has FSC at the top of mind when sourcing new products. Last year we wanted to FSC certify our Kraft paper products but this wasn't feasible due to the price point for our customers and the financial challenges of COVID-19.

Next steps

Continue actively looking for FSC alternatives for our remaining products, including Kraft.

Compostable Sleeves Trial



Goal: Roll out an initial compostable shipping sleeve trial with some of our coffee cups.



Progress	Next steps
<p>We trialled compostable sleeves on 50 cartons of 6z cups in 2019 and the results were successful. Our customers didn't notice a difference in appearance or quality.</p> <p>We weren't able to roll out across all cups as the pandemic caused Global PLA shortages.</p>	<p>Change all of our cup sleeves to compostable sleeves as soon as practically possible.</p>

Recyclable (PS) Ecocup Lids



Goal: Phase out recyclable lids from our business and move customers onto a more sustainable compostable alternative.



Progress	Next steps
<p>In the last year, we removed the lids from our online store and have reduced YoY sales by 86%. Due to the pandemic some of our customers weren't able to make the move due to pricing, but we hope to convert them to compostable lids in the next couple of years.</p>	<p>Continue to encourage compostable lids as a better alternative to recyclable.</p>



3. Supply Chain Transparency

It's important for us to have complete transparency across our supply chain so reviewing supplier credentials for new suppliers, and frequent check-ins for existing suppliers, is vital to the operation of our sustainable business.



Management, employees and stakeholders are measuring and improving their environmental impact.



Continuous improvement of systems, processes and procedures to ensure a quality product is produced, while meeting statutory and regulatory requirements.



We are increasing our range of FSC certified products by actively procuring suppliers who offer FSC certifications.



1/3 of our suppliers offer formal composting certificates.

SUPPLY CHAIN TRANSPARENCY

Procurement Policies



Goal: Review and update Ecoware's supplier checklist. This includes formally adding ISO 9001 standards.



Progress	Next steps
<p>We now have a new Supply Chain Policy which details preferred credentials for new and existing suppliers. These include the ISO 9001 standards (Quality Management Standard) where the company continually improves systems, processes and procedures to ensure a quality product is produced, while meeting statutory and regulatory requirements.</p> <p>We've also added an additional requirement to our checklist that includes consideration of the company's carbon emissions – this is important for us as we move forward as a Toitū climate positive certified company.</p>	<p>This checklist has been circulated to our operations team and will be used moving forward.</p>

Our People.

The people who believe in what we do are the lifeblood of Ecoware. Our mission and purpose is ambitious but is becoming a steadfast reality with the support of passionate individuals connected to us who want to see change. "People" includes our staff, those in our supply chain and the consumers who back us. "People" are those in companies who have joined us to strengthen partnerships and strategic connections to develop sustainability further.

Inside Ecoware

We are incredibly proud of the team we have built - a diverse, multicultural group, who work on the foundations of friendship and mutual respect. We are made up of individuals who are motivated, passionate and talented, and this has created a positive culture leading the way forward with our industry.

Customer Journey Team

Customer service & order fulfillment, account planning, sales execution

Product Journey Team

Purchasing, supplier negotiation, quality control, new product, R&D

Marketing & Community Engagement Team

Marketing, events, design, brand, reporting, community, digital/social metrics

Foundation Team

Financial, HR, legal, systems and risk compliance, operations, supply chain/logistics including 3PL management

Cultural Backgrounds



Thai



Japanese



Italian



NZ/European



Chinese



Indian



Giving Back.

As a Kiwi owned and operated business, we are proud to give back to our community. Every month we make product donations to worthy causes and events. Some recent causes include Mummy's In Need, House of Grace, Age Concern, UN Youth, athletes and countless primary schools and community events working towards a zero waste goal.

The team at Ecoware also enjoys volunteering our time for community projects. Despite being locked down for a large part of the year, our team still managed to get their hands dirty at our local Kelmarna Community Gardens, twice.

Volunteering has become a part of Ecoware's culture, and is a great tool for team bonding and wellbeing.

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