

BluetreeGroup

Modern Slavery Statement – 2023

This Modern Slavery statement is applicable to Bluetree Group Ltd and the businesses that fall within Bluetree Groups corporate structure, namely Bluetree Medical Ltd and Bluetree Print Ltd.

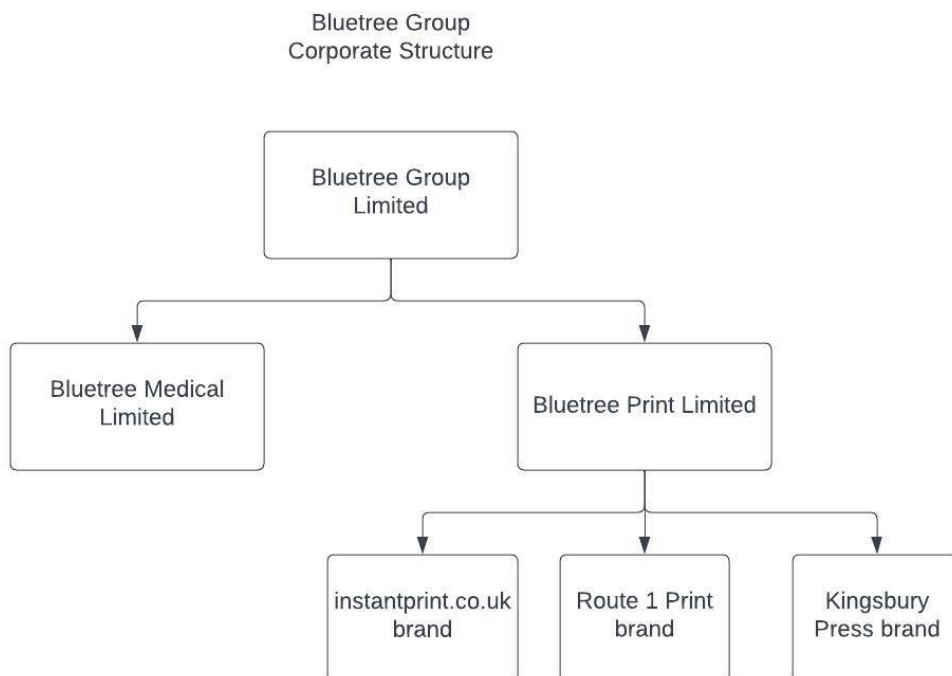
Modern Slavery in 2023

The work done by the Walk Free organisation in compiling and publishing the latest versions of its Global Slavery Index is a sobering insight into the state of Modern Slavery in the world today.¹ The estimated figures they have compiled for those suffering in modern slavery conditions has risen to 50 million people. The report highlights that the UK is estimated to be importing US\$26 Billion worth of goods and raw materials each year that have a risk of Modern Slavery. As a result, as a UK based business with a global supply chain, we must continue our work to understand our risks and continue to work to reduce them.

A year on from the launch of our Group Sustainability Strategy we have worked to better understand our position in the supply chain, and work with our partners to identify risks and work with them to mitigate them. For more details about our wider Sustainability Strategy please visit our website.²

Who are Bluetree Group?

Bluetree Group is a fast-growing award-winning manufacturing business based in South Yorkshire. We're a Sunday Times Fast Track 100, London Stock Exchange 1000 Companies to inspire Britain, and European Business Awards UK Manufacturing winner. The company has two divisions, Bluetree Print and Bluetree Medical which between them employ a team of over 450 people.



¹ 'The Global Slavery Index', *Walk Free* <<https://www.walkfree.org/global-slavery-index>> [accessed 22 August 2023].

² *Bluetree Group* <<https://www.bluetreegroup.co.uk>> [accessed 22 August 2023].

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How we tackle modern slavery risks outside our organisation

Our Supply chains.

Each of the two business divisions within the Group operates in different manufacturing sectors, and whilst there are some overlaps between the two, the overall supply chain picture is different for each area.

On the Print side of the business, paper and board are the biggest resources that we consume, which we source from several suppliers and paper mills across Europe. Fortunately, the paper supply chain is well regulated through certification schemes such as FSC.³

All the paper and board that we buy is FSC certified, this means that it originates from forests, mills and suppliers that are certified by FSC as responsibly managed. Responsibly managed means that the forests are sustainable, wildlife and indigenous peoples are protected, and workers' rights are respected.

Principle 2 of the FSC Forest certification standard covers workers' rights and employment conditions. This means that for an organisation to achieve FSC Certification that organisation must demonstrate that it 'shall maintain or enhance the social and economic wellbeing of its workers'. This includes the following criteria:

- 2.1 The Organization shall uphold the principles and rights at work as defined in the ILO Declaration on Fundamental Principles and Rights at Work (1998) based on the eight ILO Core Labour Conventions.
- 2.2 The Organization shall promote gender equality in employment practices, training opportunities, awarding of contracts, processes of engagement and management activities.
- 2.3 The Organization shall implement health and safety practices to protect workers from occupational safety and health hazards. These practices shall, proportionate to scale, intensity, and risk of management activities, meet or exceed the recommendations of the ILO Code of Practice on Safety and Health in Forestry Work.
- 2.4 The Organization shall pay wages that meet or exceed minimum forest industry standards or other recognized forest industry wage agreements or living wages, where these are higher than the legal minimum wages. When none of these exist, The Organization shall through engagement with workers develop mechanisms for determining living wages.
- 2.5 The Organization shall demonstrate that workers have job-specific training and supervision to safely and effectively implement the management plan and all management activities.
- 2.6 The Organization through engagement with workers shall have mechanisms for resolving grievances and for providing fair compensation to workers for loss or damage to property, occupational diseases, or occupational injuries sustained while working for The Organization.

³ For a more background information on the work that the FSC do, please see: 'How the FSC System Works', *Forest Stewardship Council* <<https://fsc.org/en/how-the-fsc-system-works>> [accessed 22 August 2023].

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The hard work of organisations like FSC and our commitment to only buy paper and board that comes from FSC certified sources allows us to feel confident about the absence of modern slavery in the supply chain of our biggest resource and is why we are proud to be an FSC certified organisation ourselves and support our FSC certified suppliers.

Our Medical Consumable products mainly rely on various plastic and metal components that form our devices. These components are petrochemical derivatives and are sourced from verified suppliers, all of which are reviewed for their Modern Slavery credentials prior to being used by the business. These checks are stored and available on request for interested parties.

Common to both divisions are electronic consumables and equipment used in our manufacturing facilities. Equipment is sourced from major manufacturers based in Europe, Japan, and the US. Electronic equipment is an identified risk area when purchasing from certain areas of the world as detailed in the risk assessment section below, we mitigate this risk by sourcing our electronic consumable from only two suppliers both of whom provide detailed information about the way they manage modern slavery risks in their supply chains.

Supply chain risk assessments

As a business we assess our supply chain to understand if there are any potential areas of risk when it comes to modern slavery;

- Risk as identified in The Global Slavery Index highlights 15 product categories that are at high risk from Modern Slavery. Of these the only three that impact on Bluetree's supply chain are Timber, Consumer Electronics (such as laptops and mobile phones) and garments.
- Timber sourced from Brazil, North Korea and Peru are raised as possible concern, however our paper and board is all FSC certified, comes from European sources and therefore is unlikely to have Modern Slavery risks.
- As a technology driven company we use large volumes of computers, laptops and other electronic goods. These are sourced from a mixture of electronic equipment manufacturers and suppliers, as well as using refurbished equipment sourced locally. Our partnering with two electronic equipment suppliers has allowed us to mitigate this risk.

What have we done? - Understanding and Influencing our Supply Chain

As part of the launch of our Sustainability Strategy we identified that we wanted to expand our direct understanding of our Supply Chain to support the 'Sustainability at the Source' branch of the strategy, doing so will allow us to work towards our key objective of operating within a fully transparent and socially responsible value chain.

To achieve this we have launched, in partnership with Diligent a leading risk management company, our Supplier Risk Management platform. This system works with Diligent's Risk Models and our own in house developed Sustainability Questionnaire to build an accurate risk profile of our supply chain. The risk model is designed to assess our suppliers against 6 key areas: Labour Standards and Modern Slavery, Ethical Procurement, Carbon, Sustainable Procurement, Quality and Supply Chain Resilience.

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After several months of development, we have launched the system with our first round of suppliers in July of 2023. So far, we have reached out to 23 of our main suppliers as to test the system and get our first round of Supply Chain risk data. We are currently working on interpreting this data and building our first Supplier Risk profiles. This will allow us to directly understand the risks associated with Modern Slavery for our wider supply chain and begin to set specific objectives and targets for ourselves and our suppliers to reduce any identified risks.

How we tackle modern slavery risks within our organisation

Our Team Experience Department and wider Management Team are responsible for ensuring that we have the right Internal policies and processes in place to proactively tackle modern slavery, human trafficking and labour standards concerns, including:

- We are an accredited Real Living Wage Employer which means that all our employees are paid the Real Living Wage which is higher than the Governments recommended hourly rate.
- When onboarding our colleagues, we have some strict internal processes which we follow to ensure that our colleagues are employed legally, fairly, and ethically.
- Prior to contracts being issued in person Right to Work checks are performed by the team.
- All employees are issued contracts of employment electronically before their first day of work and are given their own personal copy of this to keep and refer to.
- All employees must provide official proof of their identification so that we can check they are who they say they are, are of the legal working age and have the right to work in the UK
- All colleagues are paid weekly into a named bank account, and changes can only be made by the employee and verified by a member of the HR team.
- All employees clock in and out of the business so that we can ensure they are paid fairly for the time they have worked.
- As a business we are committed to phasing out agency workers where risk of exploitation and underpaying is in the hands of an external supplier.
- The business has a long-established Grievance policy (updated March 2022) which is published in our company handbook and on our intranet. This grievance policy encourages individuals to raise problems or issues that they may have with other colleagues, managers, or teams so that they can be resolved in a fair and constructive way. This would include the ability to raise concerns about exploitative working or practices internally or by our suppliers or customers.
- To prevent third parties from influencing our employees financial situation all requests for information about and/or changes to employee bank details must come in the form of a written request from the employee only.

What are we doing in the next 12 months.

We will continue the roll out of our supplier risk system, onboarding the remainder of our significant direct suppliers, and working to identify and onboard the significant companies that work within our wider Value Chain.

We will use the supplier risk profiles to identify areas of concern and begin working with our supply chain partners to address them, setting specific targets for our partners to reduce their risk. We will

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publish our first round of KPI data for our 'Sustainability at the Source' objective, setting our first improvement targets, including detailed information about Modern Slavery risks.

A closing comment from Adam Carnell, our Managing Director

"The launch of our Supplier Risk Management platform is a significant step forward in allowing Bluetree to practically get to grips with what is happening 'on the ground' in our supply chain. Getting direct data about what is happening in our supply chain means that as a Group we can make better and more informed decisions for managing risk in our relationships with our suppliers. The complexity involved in building this complete map of our supply chain is significant, but I am pleased that we now have the tools to begin. I expect our teams to use this data effectively to ensure that the Bluetree Group continues to make a positive impact in reducing Modern Slavery risks right up and down our supply chain".

Adam Carnell, Co-CEO



21/08/2023