

BluetreeGroup

Sustainability Strategy

February 2023



Foreword from the CEO's

Sustainability for us is about more than the planet, but about the people and animals that also call it home, which is why in the face of global challenges Bluetree are proud to have spent the last year doing what we do best - thinking big!

We have established a dedicated Sustainability Team who have taken the sustainability ambitions of the group and driven them forward to instil a culture of sustainability and develop Bluetree Group's first Sustainability Strategy. This roadmap is our commitment to our clients, staff, suppliers and wider community to transition to a business that is better for the planet, embedding projects and practices that will allow our business to continue to grow but not at the expense of the environment or the global community.

In creating the Four Branches of Sustainability we will ensure that our progress spans across the entirety of the Groups activities, and those of our supply chain. Further aligned to the Company Values, the strategy is already becoming embedded across all people and decisions across all levels at Bluetree.

As a group, we have demonstrated our commitment to sustainability through our ISO 14001, Forest Stewardship Council™ and Living Wage Employer certifications. We are also addressing our Carbon Footprint and were certified as Carbon Neutral via the Achilles Carbon Zero scheme in February 2022. We are also part of the Achilles Carbon Reduce Scheme where we measure and reduce our greenhouse gas emissions in accordance with ISO 14064, where we have experienced both absolute and intensity reductions against the 2020-21 base year. We anticipate that the implementation of the Bluetree Sustainability Strategy will further accelerate our greenhouse gas emission reductions and we are excited to see where this evolution takes us.

Like any growing business, we rely upon a multitude of global value chains. These value chains vary in nature and complexity and bring with them an array of challenges for sustainability development. We view these challenges as opportunities and through the implementation of our Value Chain Management Project born out of the Sustainability Strategy, we will lead environmental and social improvements across our suppliers and the communities in which they operate.

This year has seen a big step forward for Bluetree Group and as we continue to develop our team internally to create sustainability leaders, we are confident and excited to share our progress against this comprehensive strategy through our annual Sustainability Report that will be published in Qtr. 2, 2023.



James Adam

The Bluetree Vision

Bluetree Group visualises a world where we put our people and our planet first, not profit. With the goal of bringing businesses and communities together, our aim is to protect the environment by creating a socially responsible supply chain that helps us contribute to a more sustainable society.

Introduction

Known to the industry as the UK's fastest growing printer and UK manufacturer of premium medical consumables, we are conscious of how our products and monetary spending impacts the environment, communities and the planet.

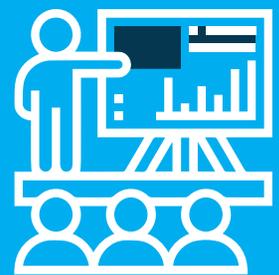
Aligned to the United Nations Sustainable Development Goals, a universal set of targets designed to end poverty and protect the planet, and the Paris Agreement, an international treaty on climate change, our sustainability strategy will ensure that we make our products in a way that supports the global efforts to improve sustainability to protect our planet from climate change.

Essentially, we want to do all the hard work in creating a sustainable product and supply chain so that you, our customer, can be confident that your business is contributing towards positive change, by working alongside a sustainability conscious company like Bluetree Group.

To help us create a fair and future proof product we have developed four branches of sustainability that we can focus on together. These branches align with our core company values that currently drive everything we do and come with their own targets. These targets will keep us on track and help us turn our vision into a reality. Our four branches will become rooted in our business, now and for the future.

BluetreeGroup

Four Branches for a Sustainable Future





Conscious About Cutting Carbon

Making sure our Carbon footprint is reduced, step by step.

STRAIGHT LABELS

THINK BIG, MOVE FAST

As a leader in Print and a rapidly growing manufacturer, we are aware of our increasing Carbon Footprint. We also know that there is no Planet B, which means it's more important than ever to be mindful of the Carbon that we are responsible for.

In support of the UK's Net Zero target, our client's own sustainability ambitions and the Paris Agreement to limit warming to 1.5-2 degrees Celsius, we will achieve Net Zero for scope 1, 2 and downstream scope 3 emissions related to the delivery and disposal of Bluetree products and activities by 2030. We will fully map, understand and measure all additional value chain scope 3 emissions by 2025 and achieve Net Zero for scope 1, 2 and 3 emissions by 2035, continuing to be externally verified by the Achilles Carbon Reduce Scheme as Carbon Zero.

How will we achieve this?

We have two key routes to enable us to deliver the targets of this branch:

- ◆ Cut back our GHG emissions to as close to zero as possible to become Net Zero across scope 1, 2 and all scope 3 emissions by 2035.
- ◆ Reduce inefficiencies across the business including energy consumption and material waste from our factory floor to our offices.

Our Net Zero journey will be embedded across all business operations and reported on regularly. To ensure transparency we have developed specific targets, KPI's and projects that will be systematically embedded across the business and will be used to track and report on our progress annually.

SDG's

- ◆ Goal 7: Affordable and Clean Energy
- ◆ Goal 12: Responsible Consumption and Production

Responsibility: Adam Carnell, Co-CEO



Vision KPI's

TARGET	KPI	RELEVANT PROJECTS
Net Zero for scope 1, 2 and downstream scope 3 emissions related to the delivery and disposal of Bluetree products and activities by 2030	Tonne of CO2e Tonne of CO2e per £ of turnover	Achilles Carbon Reduce Scheme Achilles Carbon Zero Scheme
We will fully map, understand and measure all additional value chain scope 3 emissions by 2025 and achieve Net Zero for scope 1, 2 and 3 emissions by 2035	Tonne of CO2e Tonne of CO2e per £ of turnover Percentage of suppliers mapped	Achilles Carbon Reduce Scheme Achilles Carbon Zero Scheme Value Chain Management

Associated Projects & Their KPI's

TARGET	KPI	RELEVANT PROJECTS
Increase onsite generation	Percentage of energy generated onsite	Solar Panel installation
Purchase 100% renewable energy for all Bluetree owned and controlled sites	Percentage of energy purchased from renewable sources	
Reduce CO2e related to the movement of all people, products and services related to Bluetree operations	CO2e per mile (overall, for deliveries and for commuting) tCO2e from commuting per capita	Bluetree Travel Plan
Reduce CO2e associated with purchased goods and services	Percentage of goods and services calculated CO2e per £M spend on goods and services	Achilles Carbon Reduce Scheme Achilles Carbon Zero Scheme Value Chain Management
Reduce energy and water waste across the business	kWh per turnover m3 per sq. m CO2e per £M turnover	Energy Efficiency Improvement Plan



Putting the Planet First

Doing our part to protect the Earth through improved processes

CONTINUOUSLY SEEKING TO IMPROVE

Here at Bluetree Group, we understand the importance of the biosphere and that in order to address the climate and ecological emergency we need to take action both locally and globally to protect the environment in support of the UN Sustainable Development Goals.

We are aware of the impacts of our work and are passionate about protecting the Earth. We therefore pledge to make your products in a way that monitors, reduces, and removes negative environmental impacts while working to deliver projects to enhance our local ecosystems.

How will we achieve this?

We acknowledge that we are responsible for the impacts of our products throughout their entire lifecycle and have therefore developed a two-stage approach to reduce our impacts on the environment:

- ◆ Improve the environmental outcomes associated with Bluetree Group's site operations.
- ◆ Improve the environmental outcomes associated with the use of Bluetree Group's products.

The complexity of the industries that Bluetree Group operated in means that we have a nexus of impacts that overlap and interlink. To ensure that our strategy sufficiently addresses our environmental impacts, we have created additional targets, KPI's and projects to be implemented between now and 2035.

SDG's

- ◆ Goal 9: Industry, Innovation and Infrastructure
- ◆ Goal 12: Responsible Consumption and Production
- ◆ Goal 14: Life Below Water
- ◆ Goal 15: Life on Land

Responsibility: Mark Young: Managing Director of Bluetree Print

Jon Constantine-Smith: Managing Director of Bluetree Medical



Vision KPI's

TARGET	KPI	RELEVANT PROJECTS
Improve the environmental outcomes associated with Bluetree products	Number of improvement projects delivered	Value Chain Management Onsite taskforces

Associated Projects & Their KPI's

TARGET	KPI	RELEVANT PROJECTS
Increase material efficiencies across the business	Percentage material waste per output	Efficiencies Taskforce
Implement the waste hierarchy, ensuring zero-waste to landfill	Percentage waste going to landfill Percentage waste reused or recycled Percentage material waste per output	Waste Hierarchy Taskforce Waste campaigns
No environmental incidents leading to a negative outcome	Number of Incidents Percentage of incident free inspections	Environmental walks and inspections. ISO 14001 Environmental Training Modules
Enhance local biodiversity	Number of active projects	Bluetree Biodiversity Plan
Improve the environmental outcomes associated with the production of Bluetree products	Percentage of products with low environmental risk	Value Chain Management
Develop products in line with principles of the Waste Hierarchy and Circular Economy	Percentage of products with circular or widely recyclable end of life options	Circular Economy Taskforce
100% plastic free packaging	Percentage of plastic in packaging	Packaging Taskforce



Sustainability at the Source

Ensuring a sustainable product journey from creation to consumer.

THINK BIG, MOVE FAST

POSITIVE & PROFESSIONAL

The people and places involved in the creation of our products are important to us, and we acknowledge that the targets of the Paris Agreement cannot be met without a joined-up approach that also encompasses these people and places.

In support of the UN Sustainable Development Goals, and to ensure that we are both supporting your sustainability efforts, and protecting the livelihoods and communities of the people across our supply chains, we will engage and influence our suppliers to source materials that can be traced to a fair and socially responsible supply chain that you can trust.'

How will we achieve this?

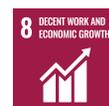
- ◆ Fully map, trace and understand everything and everyone involved in our entire supply chain.
- ◆ Only use suppliers and sources that share our sustainability vision and are conscious of their environmental impact.
- ◆ Deliver and provide access to a fair, transparent, and stable supply chain.

Sustainability at the Source encapsulates the entire Bluetree value chain, a large and complex system that spans across the globe. To ensure that we can meet the visionary target of this branch we have created additional targets, KPI's and the Value Chain Management Project to create mechanisms for continual improvement and transparency.

SDG's

- ◆ Goal 8: Decent Work and Economy Growth
- ◆ Goal 12: Responsible Consumption and Production
- ◆ Goal 15: Life on Land

Responsibility: Matt Mitchell: Finance Director

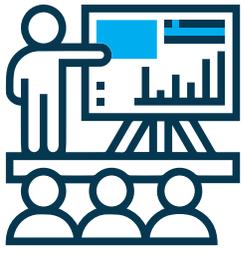


Vision KPI's

TARGET	KPI	RELEVANT PROJECTS
Operate a fair, transparent, and socially responsible value-chain that has reduced impacts on the environment by 2035.	Percentage of approved suppliers meeting Bluetree Group's sustainability standards	Value Chain Management Supplier training modules and materials.

Associated Projects & Their KPI's

TARGET	KPI	RELEVANT PROJECTS
Fully map and understand our supply chain by 2030	Percentage of tier 1 suppliers mapped. Percentage of products mapped.	Value Chain Management
Prevent environmental degradation down the supply chain	Percentage of certified products. Percentage of suppliers with 'low' environmental risk Percentage of suppliers with environmental certificate Percentage of suppliers completed environmental module	Value Chain Management Supplier training modules and materials
Ensure safe and decent working conditions across a value chain that is modern slavery and child labour free	Percentage of suppliers with low modern slavery and social risk Percentage of suppliers completed modern slavery and social sustainability training modules	Value Chain Management Supplier training modules and materials
Ensure fair representation of SME's, local and domestic suppliers	Percentage representation of SME's, local, domestic and overseas suppliers	Value Chain Management
To engage with our suppliers to improve environmental and social sustainability performance	Percentage of suppliers engaged Percentage of suppliers with low environmental and social risk Percentage of suppliers reporting sustainability performance	Value Chain Management Supplier training modules and materials



Inspiring Green Team & Culture

Upskill our team to help champion sustainability both inside and outside the Business.

23:17

EVERYONE CONTRIBUTES AND VALUES OTHERS

The quality of Bluetree products and services is a reflection of the Bluetree Group culture that is at the heart of everything we do. As an industry leader and contributor to the local community and economy, we acknowledge that we have a responsibility to work with our employees, communities and wider stakeholders to achieve sustainable development.

The Bluetree Group team and culture isn't solely important for the success of the Bluetree Sustainability Strategy, but also to create strong and resilient communities that can withstand the impacts of climate change and support the delivery of the UN Sustainable Development Goals. We will therefore create an inspiring culture of sustainability throughout our workforce, customers, and the wider sector to equip everyone with the tools to be leaders in sustainability.

How will we achieve this?

- ◆ Create a culture that focuses on themes of sustainable development individually and as a group.
- ◆ Become sustainability leaders and advocates across both print and medical manufacturing industries.

Utilising our biggest asset of our people, we have generated targets, KPI's and projects within this final branch of sustainability to ensure continued growth and evolution of the Bluetree team, culture, and community..

SDG's

- ◆ Goal 5: Gender Equality
- ◆ Goal 8: Decent Work and Economy Growth
- ◆ Goal 12: Responsible Consumption and Production
- ◆ Goal 13: Climate Action
- ◆ Goal 15: Life on Land

Responsibility: Vicki Russell: Head of Team Experience



Vision KPI's

TARGET	KPI	RELEVANT PROJECTS
Create a culture that embeds themes of sustainable development	Number of campaigns delivered Members of sustainability network	Sustainability Communications Plan Internal Sustainability Leaders Network

Associated Projects & Their KPI's

TARGET	KPI	RELEVANT PROJECTS
Increase knowledge and understanding of sustainability internally at Bluetree	Percentage of team in Kronos that have completed a sustainability module NC's recorded Number of people trained to ensure compliance against environmental processes within ISO 14001 SOP's updated to include environmental consideration	Bluetree Training Modules SOP update Environmental Procedure Training
Become sustainability leaders in the print and medical manufacturing industries	Awards won Articles published	Sustainability Communications Plan
Increased knowledge and understanding of sustainability across external stakeholders	Number of external presentations given Industry affiliations and memberships part of/ number of organisations in network (if new one created)	Contribute to or establish sector wide sustainability network
Maintain Living Wage Employer status	Years held	
Maintain a happy and healthy workforce	Staff satisfaction score Staff benefits utilisation rate Staff sustainability perception score	Staff Survey Bluetree Group Hub - intranet launch
Provide equal opportunities	Staff demographics Retention rate Percentage of staff promoted internally	

Bluetree's Sustainability Journey (Timeline)

- ◆ **May 2010: ISO 14001: 2004** Bluetree achieved its first Environmental Certificate with the awarding of an ISO 14001 certificate for its Environmental Management System.
- ◆ **November 2012: FSC® Certification.** Bluetree achieves FSC® Certification, making a commitment to use wood products from responsibly managed forests that it continues to maintain to this day.
- ◆ **December 2017: ISO 14001: 2017.** Bluetree upgrades its Environmental Management System to meet the requirements of the improved 2017 version of ISO 14001.
- ◆ **2018: War on Waste.** The group's first War on Waste campaign was held across the business, engaging the entire team to drive material and energy savings.
- ◆ **December 2019: Packaging Project.** Print division redesigned its packaging to reduce the volumes of packaging used and eliminate unnecessary plastic. Switching to paper tape, recycled paper void fill and more efficient boxes.
- ◆ **August 2021: Renewable Electricity.** Bluetree switched the electricity tariff across both its Manvers production facilities to REGO backed 100% renewable electricity.
- ◆ **September 2021: Living Wage Employer.** Bluetree becomes a certified Living Wage Employer, committing to pay staff a wage that meets everyday needs.
- ◆ **October 2021: Kingsbury Press Acquisition.** Bluetree Group purchases the renowned Kingsbury Press in Doncaster.
- ◆ **October 2021: Medical ISO 14001.** Continuing Bluetree's commitment to effective environmental management, the Medical division achieves ISO 14001 Certification for its Environmental Management System
- ◆ **October 2021: ISO 14064-1 Carbon Footprint.** Bluetree partnered with Achilles to produce its first externally verified and certified Carbon Footprint. Being awarded a Carbon Reduce Certificate within the Achilles Scheme where the group commits to achieving continued Carbon reduction.
- ◆ **November 2021: Net Zero Commitment:** Bluetree officially commits to the development of a Net Zero strategy, with the target of achieving Net Zero for onsite and Bluetree controlled emissions by 2030.
- ◆ **February 2022: Carbon Neutral:** As part of the Achilles Carbon Zero Scheme, Bluetree offsets all Carbon emissions from the 2020-21 period to achieve Carbon Neutral status. Formally commits to offsetting all ongoing residual emissions as part of its Net Zero commitment.
- ◆ **March 2022: Sustainability Manager.** Bluetree appoints a specialist Sustainability Manager to support the business in building its Sustainability Strategy and achieving its goals.

- ◆ **May 2022: Efficiency Taskforce:** print division launches its first Efficiency Taskforce to drive improvements in material efficiencies.
- ◆ **July 2022: Sustainability Strategy Day.** The Sustainability Manager runs the first Bluetree Sustainability Strategy Day with the group's executive board to embed sustainability across Bluetree operations.
- ◆ **August 2022: Renewable Electricity.** Remaining business Units at the Manvers site transition to REGO backed 100% renewable electricity tariffs.
- ◆ **August 2022: Bluetree Sustainability Strategy: Summary.** Bluetree Group publishes its first Sustainability Strategy: Summary document, introducing four branches of sustainability and aligning to the UN SDGs to ensure the integration of sustainability across all teams and activities.
- ◆ **October 2022: Net Zero Progress Audit.** Bluetree had its' first annual re-audit of its Carbon footprint to check compliance against the Carbon Reduce scheme and progress against its reduction targets. Excellent reductions were observed, with the group experiencing an intensity reduction
- ◆ **February 2022: Bluetree Sustainability Strategy: Roadmap published.** Outlining the group's targets and approach to delivering these, this document includes the expanded Carbon targets to include our entire supply chain to achieve Net Zero across Bluetree and supply chain activities by 2035.
- ◆ **January 2023: Launch of Bluetree Sustainability Training.** Developed by our Carbon Literate Internal Trainer and Sustainability Manager, this first module will give staff the opportunity to learn about sustainability, Climate Change, and what we can do to solve it.
- ◆ **2023: Value Chain Management Launch.** Partnering with a third-party risk management system, we launched the Value Chain Management Project to map, understand, monitor and influence our suppliers across all elements of sustainability.

Future Milestones

- ◆ **March 2023: Solar Power.** The installation of a 1Mw Solar Panel project on the roof of the Print factory at the Manvers site to enable the generation of renewable electricity onsite.
- ◆ **2025: Supply Chain Visibility.** Map, measure and understand all supply chain activities and Carbon emissions.
- ◆ **2030: Net Zero for Scopes 1 & 2.** We will achieve Net Zero for scope 1, 2 and downstream scope 3 emissions related to the delivery and disposal of Bluetree products and activities by 2030.
- ◆ **2035: Net Zero for all emissions.** Net Zero for scope 1, 2 and all supply chain scope 3 emissions by 2035.

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