

BluetreeGroup

Sustainability Report 2024



Foreword from the CEO's

At Bluetree, we appreciate the importance of championing a greener and more sustainable future for the print industry.

As the largest online print company in the UK, we are mindful of how our actions and operations affect the environment and communities both locally and around the world. We know, as a leader in the industry, that we have a responsibility to continue to deliver improvements, innovations and deliver tangible change within the print industry. Our dedicated Sustainability Manager, and the wider team, constantly evolve our processes to fuel innovation and deliver continuous improvement across our operations. We are proud to have these efforts recognised by the Engineering and Manufacturing Awards for Net Zero Champion and the Make UK Manufacturing Award for the Energy and Sustainability Category in the North East, Yorkshire and Humberside region.

We remain on track to achieve our two net zero targets in 2030 and 2035. Not only is this a key milestone in our journey, we see this as an indicator of our success and a strong motivator to continue along our sustainability journey, ensuring it remains at the very core of our decision making. Our business is dynamic and changes extremely quickly. Adopting and prioritising sustainable practices help ensure any changes we make, keep our environmental and social commitments centre stage. Our second annual report demonstrates some of the improvements we have made so far and details how we plan to continue delivering in this area over the coming 12 months. – **Adam Carnell Co-CEO**

We are proud to be able to say that Bluetree Group have been ISO14001 certified since 2010 and in 2021 we became ISO14064-1 certified which means we are now delivering continuous carbon reductions through our carbon reduction plan. In 2022 we set out our Sustainability Strategy and set ourselves two net zero targets to achieve. We continue to only produce work on FSC® Certified paper and remain committed to investing in technologies which will lower our carbon impact in addition to always seeking opportunities to lower our energy use. We take pride in our environmental actions and recognise our responsibility in safeguarding the future generations and the future of our industry. In our second annual report we detail our journey so far, our expectations for the future and where we hope to move forward over the coming 12 months. – **James Kinsella Co-CEO**



James
Adam

The Bluetree Vision

At Bluetree Group we believe that our responsibility to our people, to the planet and our desire to be commercially successful should work together in balance, each supporting the other to create a sustainable workplace. Our aim is to protect the environment and the people our operations impact via continuous improvement through projects, training and new or refined processes. As part of this we committed to creating a socially responsible value chain that helps us contribute to a more sustainable society.



Introduction

Bluetree Group provide products to a client base across the UK and around the world, offering a diverse product portfolio across its printing and medical divisions. We continue to be conscious about how we develop our products and processes, to ensure we are minimising the impact we have on the environment and that we adhere to ethical procurement practices. Over the last 12 months our business has undergone massive change, which has directly impacted many areas of our Sustainability Strategy, we have worked diligently to ensure the changes we have made have not affected our environmental and social commitments.

We continue to take action to ensure a fair and transparent value chain when purchasing goods and services, ensuring we work with other companies that share our core values. This is an area of particular importance for us moving forward, as we want to help share knowledge between our value chain through two-way conversations, learning from others and sharing what we have learned in the last few years.

In 2022 we published our first Sustainability Strategy, 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. The strategy is split into four distinct 'sustainability branches': Conscious about Cutting Carbon, Putting the Planet First, Inspiring Green Team and Culture & Sustainability at the Source. Each branch aligns with our core company values that drive each decision we make, and their targets keep us on a focused track.

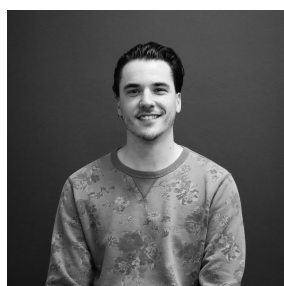
Since publishing our strategy, we have taken steps to realise the vision we set out, from increasing onsite energy generation, improving the knowledge of our team and clients, mapping and mitigating risks across our supply chain, ensuring we are dealing with our waste in line with the principles of the waste hierarchy and much more. The 2022 Sustainability Strategy ensures that we continue to improve by working towards targets detailed across the four branches. Summer 2025 will mark the third year since we published our Strategy, we will take time here to evaluate the strategy, to make sure we are on track and that our focuses are in the right areas.

We have set ourselves two key Net Zero targets, the first is Net Zero across our 'Core Scopes' by 2030. Our Core Scopes are made up of Scope 1 (direct emissions), Scope 2 (indirect emissions via purchased energy) and some areas of Scope 3, details of which can be found later in this report. Our second is to achieve Net Zero across all 'Additional Scopes' by 2035.

We are immensely proud of the work our team have done to reduce our carbon impact, expanding the scopes we report on, improve processes business-wide and improve our supply chain impact over the last couple of years. We all recognise we have a long road ahead of us, but the enthusiasm shown in our company training sessions and the support we receive from leaders around the business make our targets seem very achievable.

In this report we will detail the actions we have taken over the last 12 months, how we are tracking against our targets and details some of the exciting avenues we will explore in the coming year.

Jack Pearson, Sustainability Manager



Highlights from the Last 12 Months

Our First Year of Onsite Generation

Last year we installed a 300,000KW solar panel array at our Wath manufacturing facility. We have now had this installation for 12 months and in that time have generated a total of 223,716.5kWh of renewable energy onsite, contributing to the decarbonization of our operations.

Energy Efficient Cooling

Excess heat is a challenge when running printing presses, in past years, whenever our Digital Landa Press ran it utilised a refrigeration unit to chill its coolant, using a substantial amount of energy. In summer 2024, we began the installation of two 'energy efficient cooling coils' alongside the installation of a second Landa Press. The energy efficient cooling system uses ambient air from outside our facility to chill the coolant, reducing the need to rely on the energy intensive refrigeration units. The systems work better in the colder months, when the air temperature outside is colder so we have completed the work in the summer to ensure we are maximising their potential during colder months later in the year.

Using historical weather data for the area we have calculated that the total energy saved per annum will be 183,168kWh when operating at our full load, resulting in a potential total reduction of 39 tCO₂e. We look forward to updating you on the outcome of this project next year.

Training and Learning Labs

Last year we highlighted our two key team training modules 'Bluetree vs Climate Change – Module 1' & 'Bluetree vs Climate Change – Module 2'. Module 1 was designed as training for all, giving our entire team a basic understanding of some key environmental concepts, but more importantly the impacts our operations have on the environment. In the last year we have folded this module into our company onboarding process, meaning every new member of our team will automatically be enrolled to this training module.

Module 2 brings our most driven team members to the forefront of our sustainability journey, empowering them to make changes in their area. We have run this a couple of times over the year, and have more sessions planned in the next 12 months. We are very excited to see what new ideas our team have.

The success we have seen in our team training has led us to create a new series of training modules called 'Learning Labs' which are bite sized, targeted pieces of training, designed to drive a specific goal to relevant teams. You can find more detail about this in the 'Inspiring Green Team and Culture' section of this report.

Forklift Truck Roadmap

This year we set out a roadmap to electrify our forklift and manual handling fleet. 60% of our current fleet of FLT's and MHE's are electric. We expect this to be 100% by August 2025, completing this transition will remove the use of Liquid Petroleum Gas (LPG) from our operations, another milestone we expect to overcome in the next 12 months, reducing our emission profile by 16.25 tCO₂e.

Waste Improvements

In late 2023 we reevaluated our existing waste contract, moving to a local partner who processes most of our waste within 15 miles of our facility, while ensuring we maintain our 0% to landfill status. Maintaining 0% landfill is not without its challenges, as a dynamic and quick moving company, we often have set up new waste streams. We maintain regular contact with our various waste partners to ensure we are segregating and processing this waste in the best way possible, in line with the waste hierarchy.

We have also successfully integrated the waste streams from our Doncaster facility into our Wath facility following the move, as the materials used here vary massively from our standard stock lines.

Value Chain Management Project

This year we have continued to map and evaluate our value chain. We started this project by configuring a system that allowed us to reach out to the top 80% of our spend with a Due Diligence Questionnaire, which seeks to get some insight into four areas of their operations, social impacts, environmental impacts, quality control and supply chain resilience. We had some success with our first cohort of engagement, reaching out to the top 80% of spend at that time and receiving 45% completion. We have now launched our second cohort; you can find much more information about this project in the 'Sustainability at the Source' section of this report.

Our Next 12 months at a Glance

Solar Expansion

We are seeking to expand our solar panel array and onsite generation; we are exploring our options to submit a new application. The expansion should allow us to add an additional 260.23 kWp system, doubling our current capacity. Using historical data from our existing panels we would expect to generate an additional 223,716kWh per year, bringing the total onsite capacity to 447,432kWh.

STRATEGY TARGET	STRATEGY KEY PERFORMANCE INDICATOR
DOUBLE OUR ONSITE GENERATION IN THE NEXT 12 MONTHS	% OF ENERGY GENERATED ONSITE

Electric Fleet

We will eliminate liquid petroleum gas (LPG) from our operations by removing the remaining gas-powered trucks from our forklift truck fleet by the end of 2025, lowering emissions from onsite combustion. Following the electrification of our FLT fleet, we will begin to explore options to electrify our wider vehicle fleet, including vans and lorries. Over the next year we set out a roadmap with commitments to electrify the fleet over time, in line with our 2030 Net Zero Target.

STRATEGY TARGET	STRATEGY KEY PERFORMANCE INDICATOR
ELIMATE LPG (LIQUID PETROLEUM GAS) FROM OUR OPERATIONS IN THE NEXT 12 MONTHS	TONNE OF CO2E
	TONNE OF CO2E PER £M TURNOVER

Natural Gas Reductions

Lowering our natural gas consumption will be a big focus over the next year, we will explore the viability of removing some pieces of equipment from the factory that rely on natural gas. We will also explore options to move our factory floor heating system to be fully electric by summer 2026.

STRATEGY TARGET	STRATEGY KEY PERFORMANCE INDICATOR
REDUCE NATURAL GAS USE BY 30% IN THE NEXT 12 MONTHS, ELIMINATE USE OF NATURAL GAS BY 2026	TONNE OF CO2E
	TONNE OF CO2E PER £M TURNOVER

Value Chain Management

We will continue to press forward with our Value Chain Engagement, we are very excited about the prospect of working directly with several of them. We have engaged with our top 80% of spend and have set ourselves a target of a minimum of 60% completed this year, we will continue to increase this target year on year as we learn how to better engage with our suppliers.

The data we use to calculate our emissions from our Purchased Goods and Services is currently estimated, based on emission factors issued by the UK government. An example is the generic factor we currently use for 'paper & board', this doesn't consider individual companies manufacturing or procurement processes, essentially averaging out the emissions across the paper manufacturing industry into one factor. Over the next year we will obtain direct carbon figures for products from the top 10% of our yearly spend, predominantly our paper and board suppliers. This will allow us to begin moving away from estimates and improve the quality of data in our Additional Scope 3 emissions portfolio. This is something we will build on over time, and is a key step in understanding, influencing, and reducing our Additional Scope 3 Emissions.

STRATEGY TARGET	STRATEGY KEY PERFORMANCE INDICATOR
ACHIEVE 60% ENGAGEMENT WITH COHORT 2 OF THE VALUE CHAIN PROJECT	PERCENTAGE OF TIER 1 SUPPLIERS MAPPED
FULLY MAP AND UNDERSTAND OUR SUPPLY CHAIN BY 2030	
GAIN CONCRETE CARBON DATA FROM OUR MAIN PAPER SUPPLIERS OVER THE NEXT 12 MONTHS	PERCENTAGE OF SUPPLIERS WITH ENVIRONMENTAL CERTIFICATE
	PERCENTAGE OF SUPPLIERS ENGAGED
	PERCENTAGE OF SUPPLIERS REPORTING SUSTAINABILITY PERFORMANCE

Delivery Partner Review

Our downstream deliveries account for 72% of our Core Scope 3 Emissions In the last 12 months. In the last year 31.72% of our road deliveries were undertaken on electric vehicles, next year we will work directly with our delivery partners to increase the percentage of shipments we are sending on electric vehicles, to reduce our Core Scope 3 Emissions.

STRATEGY TARGET	STRATEGY KEY PERFORMANCE INDICATOR
ENGAGE DIRECTLY WITH OUR DELIVERY PARTNERS TO DRIVE UP THE NUMBER OF ELECTRIC CONSIGNMENTS	CO2E PER KM (OVERALL, FOR DELIVERIES AND COMMUTING)

Air Leak Testing

We will conduct regular air leak testing, at least once a year – with scope to increase the frequency if the outcome of the testing shows more disrepair than we expect. The engineering team will also proactively look for leaks during their day to day, which we can remedy immediately. The testing and maintenance we undertook last year led to a reduction of 171,246kWh of electricity across our operations, demonstrating the huge efficiency gains to be made by conducting these tests and maintenance regularly.

STRATEGY TARGET	STRATEGY KEY PERFORMANCE INDICATOR
UNDERTAKEN COMPREHENSIVE AIR LEAK TESTING AND FOLLOW UP MAINTAINANCE AT LEAST ONCE IN THE NEXT 12 MONTHS	M3 PER SQUARE METER
	CO2E PER £M TURNOVER
	KWH PER £M TURNOVER

Water Management

Managing our water use will also be a key focus area, managing any trade effluent properly and effectively is key to protecting our local environment. We have recently started a new process on site which creates trade effluent as a by-product. Working with the local water supplier, we will mitigate all risks to local waterways and ensure we produce no water pollution.

STRATEGY TARGET	STRATEGY KEY PERFORMANCE INDICATOR
ENSURE CORRECT IMPLEMENTATION AND EFFICIENT, EFFECTIVE USE OF NEW WATER BASED OPERATIONS	M3 PER SQUARE METER
UNDERTAKEN REGULAR ENVIRONMENTAL WALKS AND CHECKS TO ENSURE NO ENVIRONMENTAL INCIDENTS OCCUR	NUMBER OF INCIDENTS
	PERCENTAGE OF INCIDENT FREE INSPECTIONS

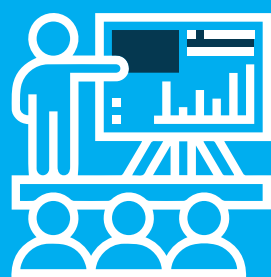
Submeters & Energy Insights

We will implement our submeter project, to gain insights into our energy use at an asset level. Once we have data on our energy use habits, our production control department will be able to make informed decisions about how to route work through our factory, to increase both material and energy efficiencies.

STRATEGY TARGET	STRATEGY KEY PERFORMANCE INDICATOR
USE INSIGHTS FROM THE PROJECT TO IMPROVE EFFICIENCIES ACROSS THE PRODUCTION OF OUR PRODUCTS	KWH PER £M TURNOVER

BluetreeGroup

Four Branches of Sustainability





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:

- ◆ Firstly, to cut back our GHG emissions to as close to zero as possible in order to become Net Zero across scope 1, 2 and all scope 3 emissions by 2035. Secondly, to reduce inefficiencies across the business, including energy consumption and material waste from our factory floor to our offices.
- ◆ Our Net Zero journey is embedded across all business operations and reported on regularly. To ensure transparency we developed specific targets, KPI's and projects that are systematically embedded across the business and are being used to track and report on our progress annually.

Explaining Our Scopes

Core Emissions – These are the emissions that make up our 2030 Net Zero Target and are emissions we have a lot of direct control over.

Core Scope 1 – These are emissions that we are directly responsible for creating, such as onsite combustion of fuel or natural gas.

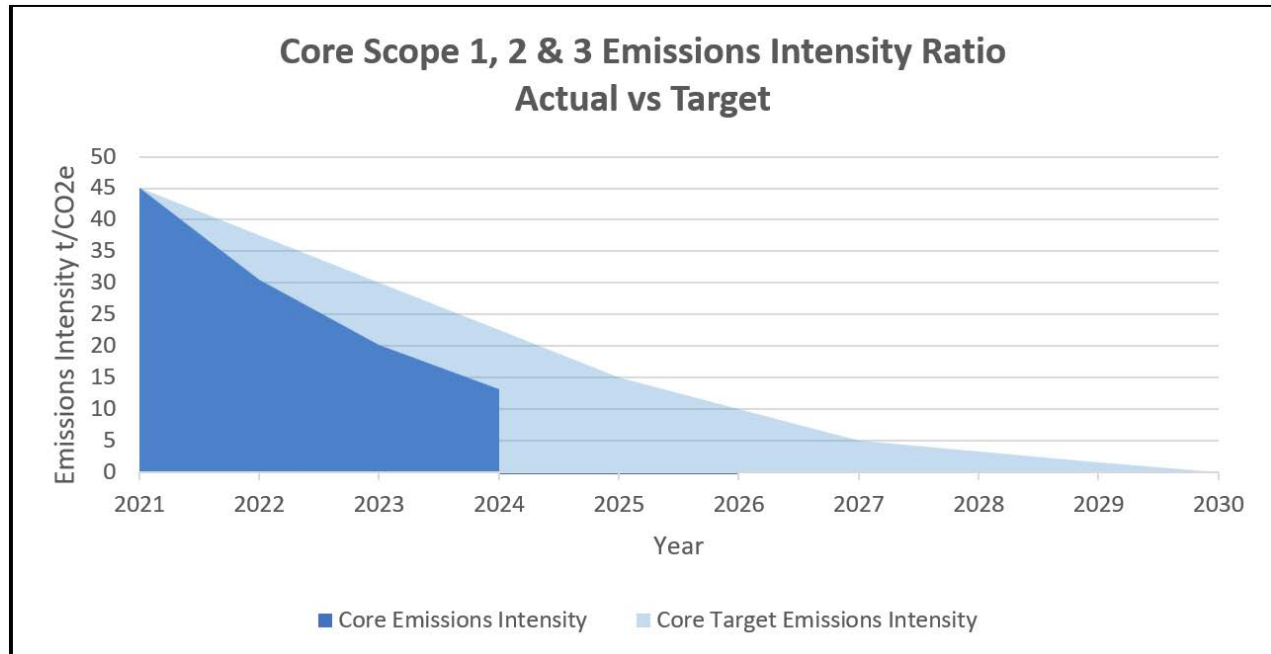
Core Scope 2 – These are emissions from our imported electricity.

Core Scope 3 – These are the Scope 3 emissions we have been reporting on from 2021 and encompass our Downstream Deliveries, Waste Disposal, Waste Supply and Water Treatment and T&D loss.

Additional Emissions – These are the emissions that make up our 2035 Net Zero Target, alongside our Core Emissions. We have less direct control over these emissions, and they represent the largest challenge for us moving forward.

Additional Scope 3 – We are progressively working to understand these emissions by expanding the scopes we are reporting on. So far these include emissions associated with our purchased goods and services, and staff transport. We are already hard at work communicating with our value chain and beginning to understand the full impact our buying decisions have.

Below you will find several charts detailing our progress over the last 4 years, since we began our ISO14064-1 carbon reduction scheme .

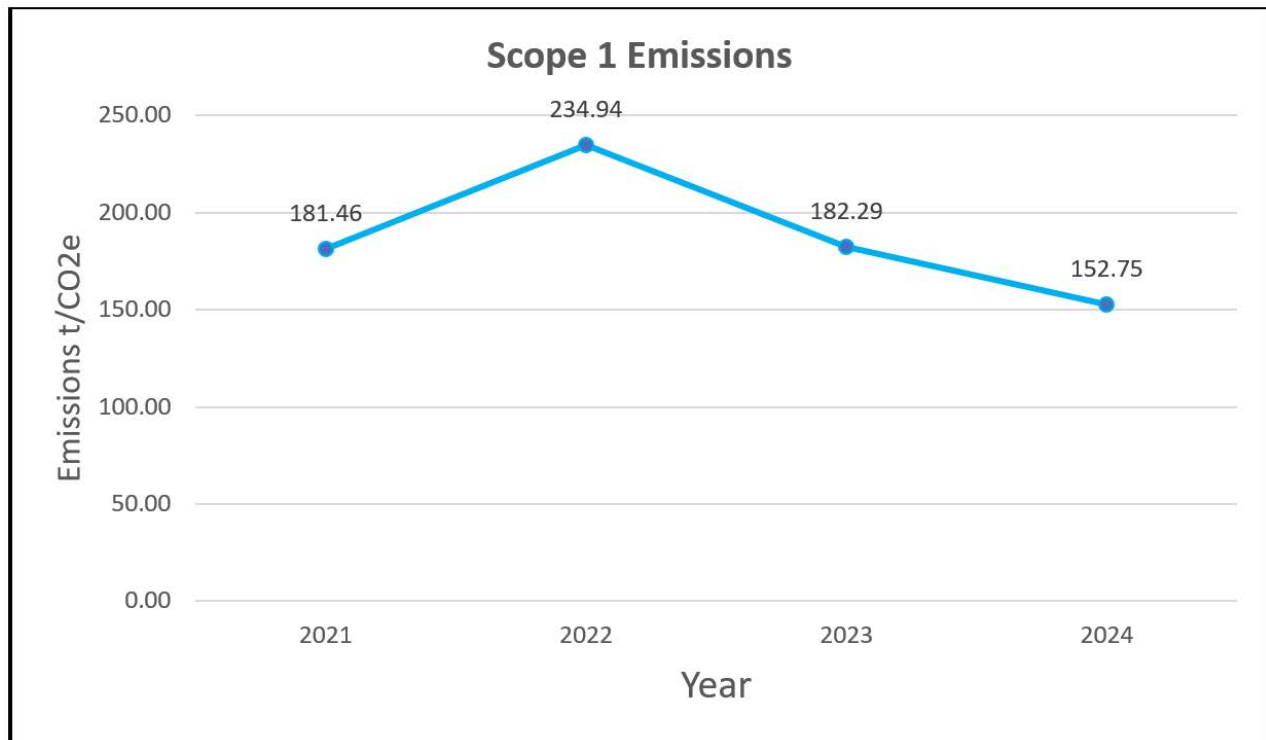


One of our key performance indicators (KPIs) is the continuous reduction of a chosen emissions intensity ratio (EIR). The EIR we have chosen to track is our tCO₂e / revenue per £Million. The chart above shows our actual EIR vs our targeted EIR. This number is derived from our total emissions from our core scopes over our yearly revenue figure.

- ◆ In 2021, our carbon intensity was 44.78 against a target of 45.
- ◆ In 2022, the carbon intensity was 30.34 against a target of 37.5.
- ◆ In 2023, the carbon intensity was 20.19 against a target of 30.
- ◆ In 2024, we have once again reduced our carbon intensity, to 13.14 against our target of 22.5.

Below we have broken down the individual scopes over the last 4 years. All data has been verified under ISO14064-1 Achilles Carbon Reduce Scheme.





How are we doing?

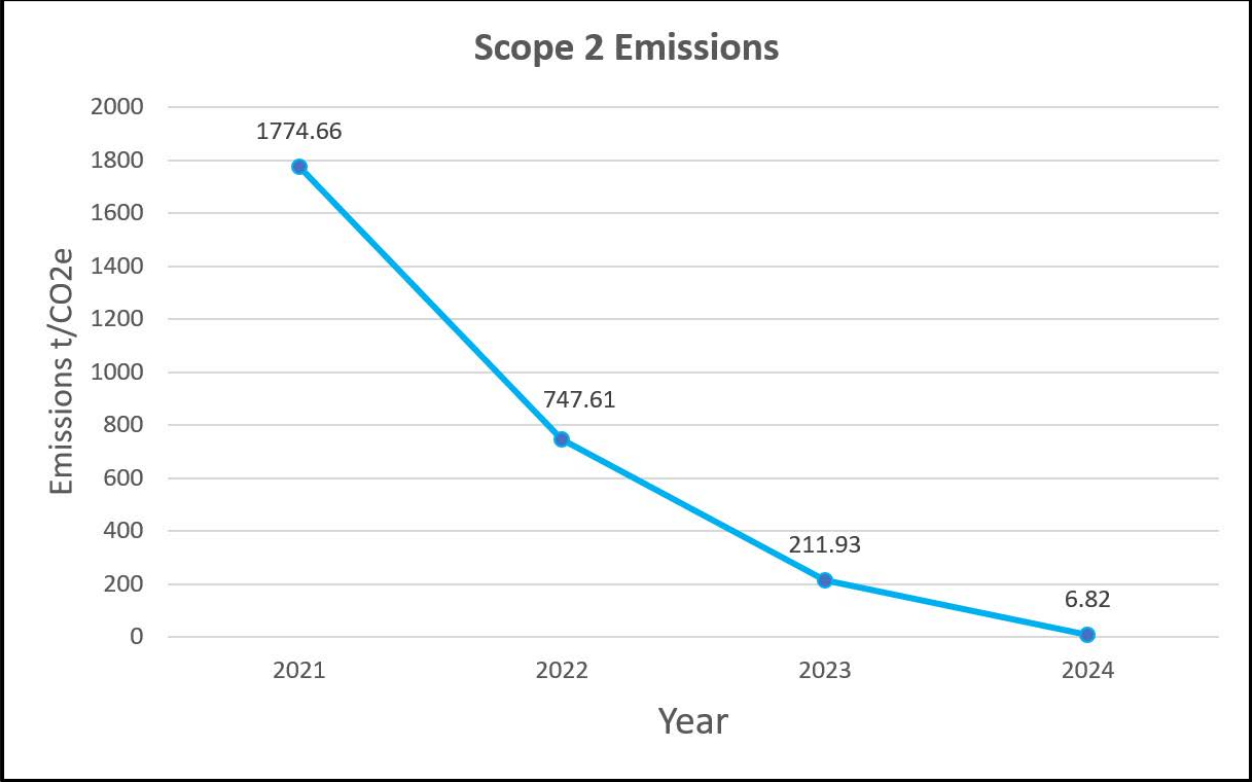
Scope 1 Emissions refer to emissions that are produced as a direct result of something we do on our site, such as fuel or natural gas combustion. The chart above reflects the figures for our Scope 1 emissions reflected in our Achilles Carbon Reduce Report. We are pleased that these have dropped for two subsequent years, and for the first time have dropped below our initial reported figure in 2021.

The reductions here can largely be attributed to the removal of some gas-powered forklift trucks and moving our operations from Doncaster to our main manufacturing facility in Wath, eliminating many 48km cross site trips occurring, resulting in far less emissions from the combustion of fuel in our vehicle fleet.

What are our next steps?

A big challenge over the coming year will be to reduce our Scope 1 emissions further, a key way we deliver this will be to reduce our use of natural gas, by reviewing the use of some pieces of equipment and looking at alternative ways to heat our factory in the cold months. If we can eliminate the use of natural gas from our operations we will reduce our emissions portfolio by an average of 122 tCO2e per year.

We have also set out a roadmap to electrify our forklift fleet, which will remove the use of liquid petroleum gas (LPG) from our operations, which will reduce our emissions by an average of 16.25 tCO2e per year. Following this we will explore options to electrify the rest of our inhouse fleet of vehicles.



How are we doing?

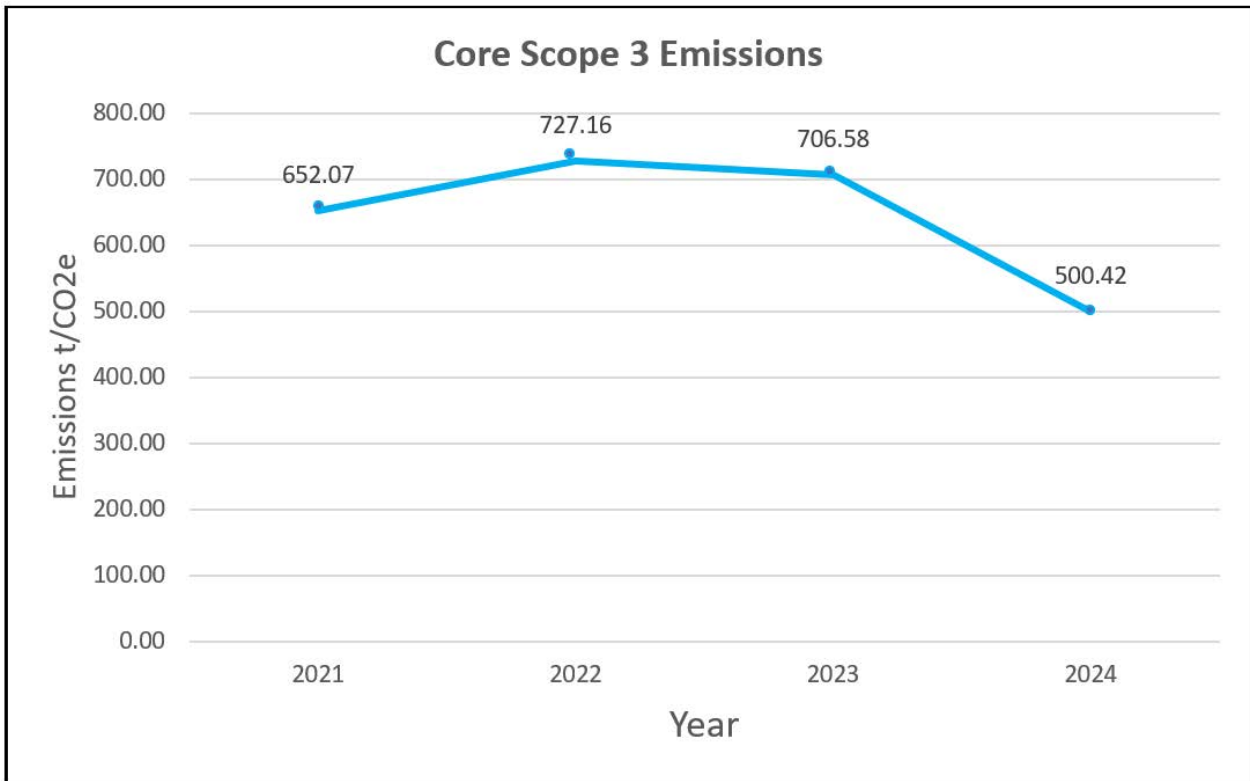
Scope 2 Emissions refer to emissions that are a result of our imported energy. As you can see, we have made excellent progress in this area. Moving our purchased electricity to Renewable REGO backed tariffs has had a huge reduction on our Scope 2 emissions year on year. In July 2024 we ended our last non-REGO tariff and can now say 100% of our imported electricity is generated using a REGO backed supply, we therefore expect to have eliminated our Scope 2 emissions in the next report.

We have also taken steps to begin to understand the energy use of some larger pieces of equipment around the factory, purchasing several sub meters to give us accurate information about how much energy individual pieces of equipment are using, allowing us to develop more efficient methods of operating. We are in the process of installing this equipment and should have some insights and improvements to talk about in our next annual report.

What are our next steps?

Our next goal is to improve efficiency of energy use wherever we can. This year we have run some smaller projects targeted toward energy efficiency, in November 2023 we undertook an air leak survey to identify any areas where the air extraction system is leaking, on the back of this we identified 31 leaks around our factory which our engineering team worked through and patched up. Ultimately this reduced the amount of energy required to run the system by an estimated 171,246kWh per year.

Our ESOS Audit also identified some energy efficiency projects to focus on in the future, such as installing eco gates on our extraction systems to shut off any equipment that isn't in active use. We are also looking at other projects including mitigating heat loss on certain electricity panels, regular air leak surveys and an opportunity to assess motor alignment efficiencies in our large presses .



How are we doing?

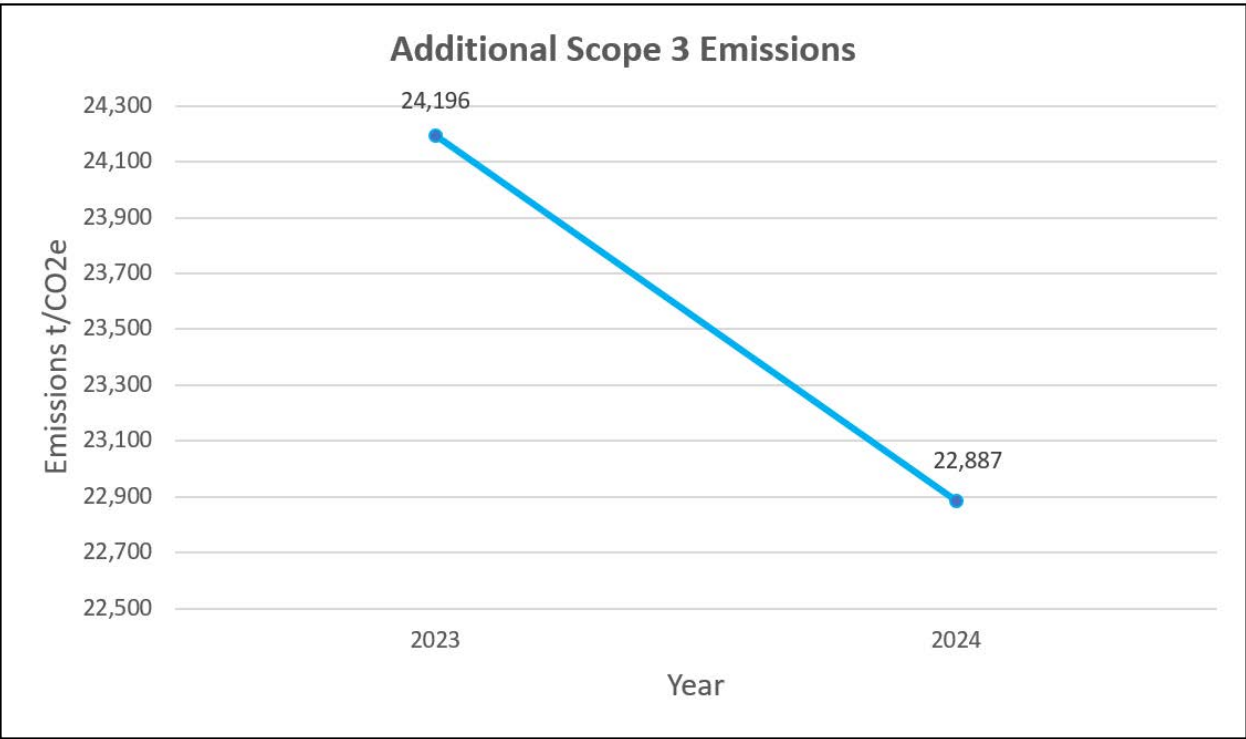
Our Core Scope 3 Emissions are the Scope 3 emissions we have been tracking since the start of our Sustainability Journey: Downstream Deliveries, Waste Disposal, Waste Supply and Water Treatment and Transmission and Distribution (T&D) loss associated with energy from the national grid. This year marked the first reduction in our Core Scope 3 emissions against our base year of reporting, which can largely be attributed to improved waste management practices, an increase in electric vehicle consignments with our key delivery partners.

Our downstream deliveries account for 72% of our Core Scope 3 Emissions In the last 12 months. In the last year 31.72% of our road deliveries were undertaken on electric vehicles.

What are our next steps?

Downstream deliveries offer us the greatest prospect to reduce our emissions under Core Scope 3 and will be our largest focus area over the coming year, we will achieve this by working with our delivery partners to ensure as many consignments as possible take place on electric vehicles. Our aim is to increase our electric consignment percentage to 40% by August 2025.

Water is an area we will also be monitoring closely, as we have recently started a new process which will increase our water use on site. Managing the trade effluent from this properly and effectively is key to protecting our local environment. We are working closely with our water provider and the wholesale provider to make sure our processes are robust and cause no damage before we start to discharge this effluent.



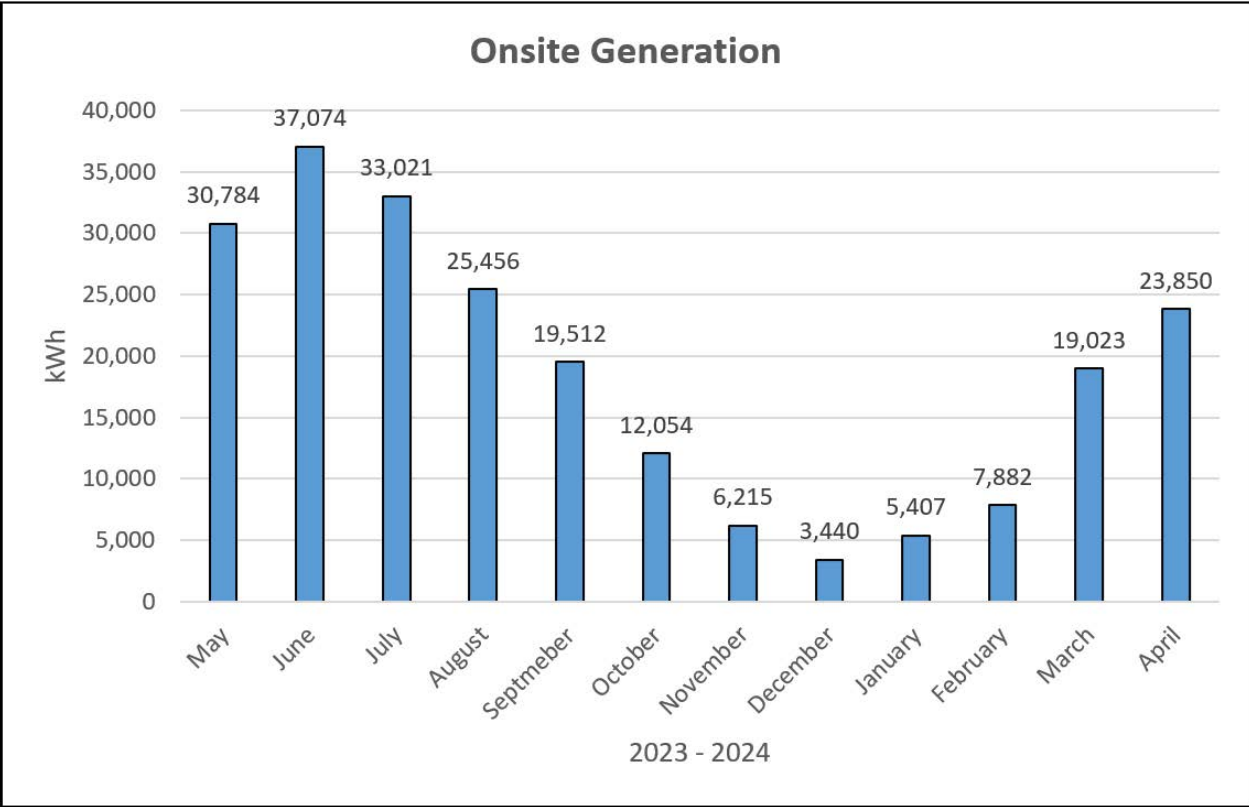
How are we doing?

Our Expanded Scope 3 emissions encompass all other Scope 3 emission not tracked under our Core Scope 3's. So far, we are reporting on our Purchased Goods and Services and Staff Transport. We are hard at work mapping and assessing our value chain and its associated impacts, with the goal of reducing emissions from our Purchased Goods and Services. You can find more information about this project in the Sustainability at the Source section of this report.

What are our next steps?

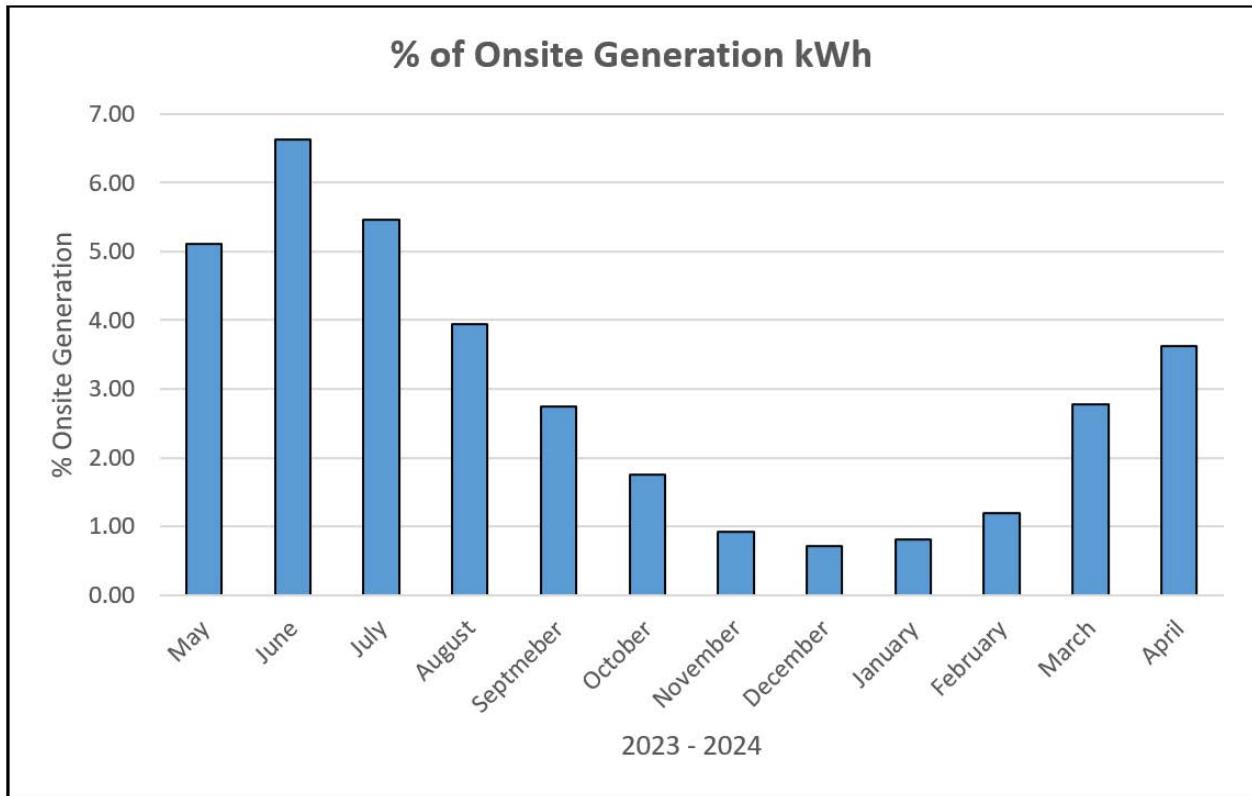
We do not yet track all these emissions, a key focus over the next two years will be to continue expanding what we are tracking and reporting on, over the next 12 months we aim to improve our knowledge and the quality of data quality for the emissions we are currently tracking.

We will do this by obtaining concrete carbon data from our suppliers, so we can make informed purchasing decisions and begin to influence both their and our operations through collaboration and knowledge sharing, driving emissions down for both parties. Additional Scope 3 emissions make up the bulk of our overall carbon footprint and present the biggest challenge for us as a business moving forward.



How are we doing?

In the last 12 months we have gathered data from our first solar installation, the graph above shows the kWh generated onsite each month. Onsite generation contributes to the decarbonisation of our energy use. In the 2023-24 period we generated a total of 223,716.5kWh.



The graph above show how our onsite generation compares with our energy use as a percentage. As a manufacturer our energy consumption is high, and we need to close the % gap between purchased energy & onsite generation through efficiency and new generation projects. This will lower the amount of purchased energy and the associated T&D Loss emissions.

What are our next steps?

Last year the scope of our initial proposal was reduced, due to issues with the exportation of excess energy to the national grid. The success of this project has motivated us to take a second look at the roadblocks we encountered, we are exploring opportunities to complete a G100 application, which will allow us to expand the number of solar panels on site while building in redundancies to satisfy the requirements of the national grid - We look forward to sharing more about this in our next report.



Putting the Planet First

Doing our part to protect the Earth through improved processes

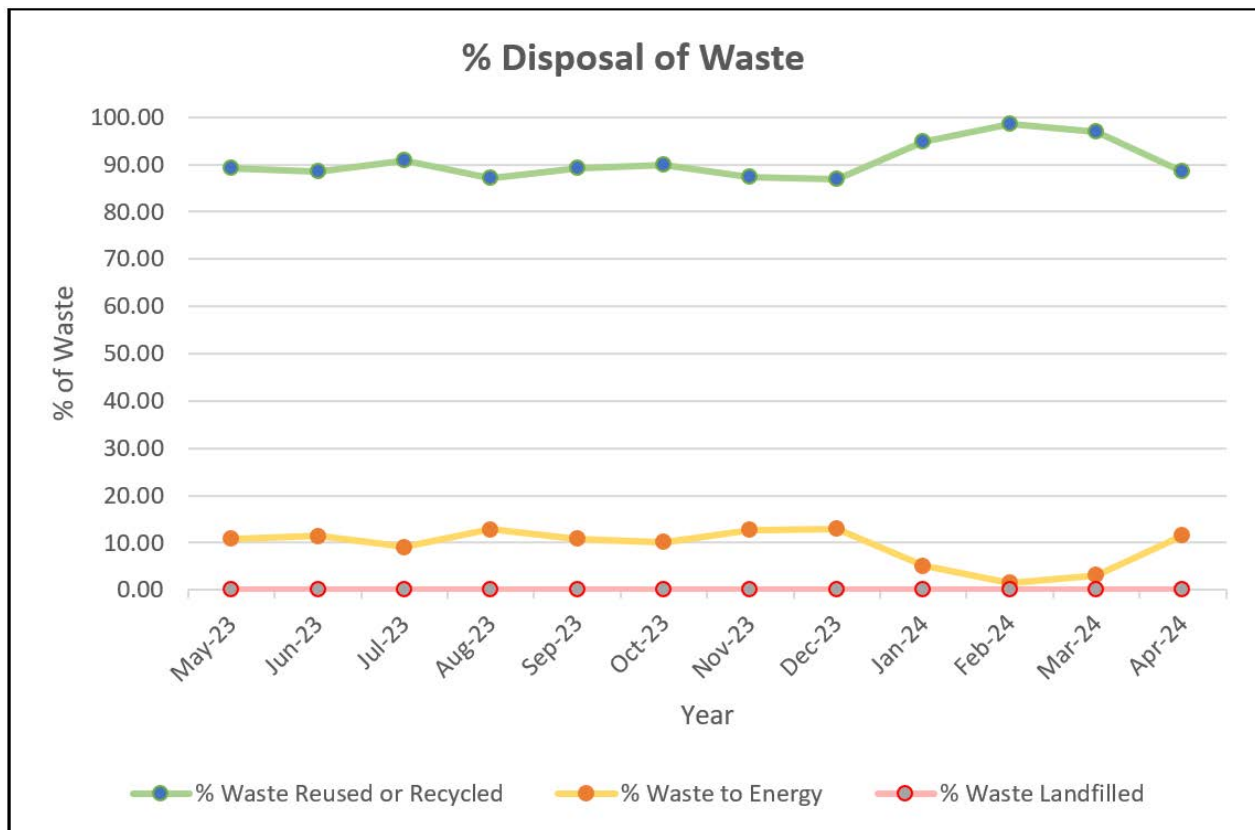
CONTINUOUSLY SEEKING TO IMPROVE

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 pledged 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 operates in means that we have a nexus of impacts that overlap and interlink. To ensure that our strategy sufficiently addresses our environmental impacts, we created additional targets, KPI's and projects that are being implemented between 2022 and 2035.

How are we doing?



The data above represents a key milestone for Bluetree, as it is our first full year that we have achieved 0% to landfill, last year a nominal of our waste ended in landfill. We worked closely with our waste partners to eliminate this and have seen a full year with 0% to landfill in 2023-24. We also undertook a review of our waste systems and our key waste partner, signing a new contract with a local waste management company who deal with most of our waste within 15 miles of our facility, cutting down on emissions from transport.

What are our next steps?

We are constantly collaborating with our waste partners, to ensure that we are separating our waste streams as well as we can, this ensures that the maximum amount possible is reused or recycled, in line with the principles of the waste hierarchy. The waste streams are a huge team effort, and it takes the entire team to get this right. Together we manage our waste as part of our ISO14001 Environmental Management System and are always looking for ways to make it even more effective. Over the next year we will do a deep dive into our waste volumes, understanding what waste cannot be recycled or reused and seek to reduce the volumes of these waste streams where we can.



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 value chains, we are working toward engaging and collaborating with our suppliers to source materials that can be traced to a fair and socially responsible value chain that you can trust.'

How are we achieving this?

- ◆ Fully mapping, tracing and understanding everything and everyone involved in our entire value chain.
- ◆ Deliver and provide access to a fair, transparent, and stable value chain.

'I really love the fact that you have given feedback on our questionnaire.

As you mention – we get sent a lot of these and you are the first person in the 12 years of me completing them who has ever responded.' – Rebecca: EBB Group

How are we doing?

This year we have continued to map and evaluate our value chain. We started this project by configuring a system that allowed us to reach out to the top 80% of our spend with a Due Diligence Questionnaire (DDQ), which seeks to get some insight into four areas of their operations, social impacts, environmental impacts, quality control and supply chain resilience. We had some success with our first cohort of engagement, reaching out to the top 80% of spend at that time and receiving 45% completion.

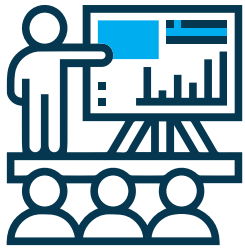
After our suppliers complete the form, we look over their answers and attribute risk factors to the areas mentioned above. We want to share any knowledge we have that might help mitigate these risks, and likewise we are seeking to learn from those who are further along in certain areas that we are.

The first step of this process was to create a bespoke report for each supplier who completed the DDQ, as the questionnaire is quite complex and potentially time consuming, we want to those who take part to get something from the process too. The report shows what overall level of risk has been identified, low, medium, high, or very high and drills down into some examples of the answers given and their associated risk values. Next, we offer some insights into these areas and ways they could reduce their risk. The response to these reports has been very positive, the previous quote sums up what we are trying to achieve, and it was great to receive such warm and positive feedback to our initiative.

What are our next steps?

We have now launched our second cohort, using the same process as before. Identifying our top 80% spend, engaging and following up. But we are keen to keep progressing and making the most of this project. We have plans to run workshops with certain suppliers in the future and are now seeking to capture our large suppliers actual carbon emission data. Cohort 2 represents a step forward in the project as we have reached out to 68 different suppliers under this cohort.

Over the next 12 months we will continue to push this project forward, making changes to our questionnaire to reflect our business and to the system we use to engage with customers. We will also begin to work directly with some suppliers, through meetings and workshops to better understand their operations and improve the environmental outcomes for both companies.



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 are creating 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 are we achieving 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, our people, we 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.

How are we doing?

Last year we highlighted our two key team training modules 'Bluetree vs Climate Change - Module 1' & 'Bluetree vs Climate Change - Module 2'. Module 1 was designed as training for all, giving our entire team a basic understanding of some key environmental concepts, but more importantly the impacts our operations have on the environment. In the last year we have folded this module into our company onboarding process, meaning every new member of our team will automatically be enrolled to this training module.

Module 2 brings our most driven team members to the forefront of our sustainability journey, empowering them to make changes in their area. We have run this a couple of times over the year, and have more sessions planned in for the next 12 months. We are very excited to see what new ideas our team have.

The success we have seen in our team training has led us to create a new series of training modules called 'Learning Labs' which are bite sized, targeted pieces of training, designed to drive a specific goal to relevant teams. The first of these was the importance of waste segregation of our basic wastes (paper, card, and general waste), this was rolled out to every member of our team. The bite-sized module showed the team the commercial and environmental impacts of getting our segregation processes right and was positively received. We even managed to highlight a few areas where we could improve segregation of paper across our factory, which were highlighted and implemented by our production teams.

What are our next steps?

Over the coming months we will roll out modules including emergency spill response, more information around COSHH, chemical movement and use and much more. We are also developing some targeted sessions with the senior leadership team at Bluetree Group, to make sure we are getting the big decisions right at a board level, trickling down to the rest of our operations. All this training is in line with our sustainability branch 'Inspiring Green Team and Culture'.

Bluetree's Sustainability Timeline

◆ 2010:

ISO 14001: 2004: Bluetree achieved its first Environmental Certificate with the awarding of an ISO 14001 certificate for its Environmental Management System.

◆ 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.

◆ 2017:

ISO 14001: 2015: Bluetree upgrades its Environmental Management System to meet the requirements of the improved 2015 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.

◆ 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.

Medical ISO 14001: Continuing Bluetree's commitment to effective environmental management, the Medical division achieves ISO 14001 Certification for its Environmental Management System

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 its core 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 Task Force: 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:**

Bluetree Sustainability Strategy: 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 to 32.47 t/CO₂e

◆ **January 2023:**

Team Training: Developed by our Carbon Literate Internal Trainer and Sustainability Manager, this first module is rolled out giving staff the opportunity to learn about sustainability, Climate Change, and what part we play.

◆ **February 2023:**

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 value chain to achieve Net Zero across Bluetree and value chain activities by 2035.

Value Chain Management Launch: Partnering with a third-party risk management system, Bluetree launched the Value Chain Management Project to map, understand, monitor and influence our suppliers across all elements of sustainability

◆ **April 2023:**

Kingsbury Press Move: Kingsbury Press began moving operations over to Manvers, work began integrating Kingsbury systems into the existing Bluetree systems.

◆ **May 2023:**

Team Training: Module 2 of our team training strategy is developed and begins rolling out to the team.

Kingsbury Press Move: The Kingsbury Press move is finalised, resulting in a huge reduction in cross site transport, and greater efficiencies across many aspects of the business, such as production and logistics.

◆ **June 2023:**

Scope extension: Bluetree began a scope extension for areas of the business that we report on, this year we chose to focus on staff travel and purchased goods & services.

Heat Tunnels: Bluetree removed their heat tunnels and its associated shrink wrap from the packaging process for our online print brands.

◆ **July 2023:**

Net Zero Progress Audit: Bluetree had its second annual re-audit of its Carbon footprint to check compliance against the Carbon Reduce scheme and progress against its reduction targets. The audit is sent away to be verified by Achilles.

Introduction of a DMR waste stream: A dry mix recycling stream is introduced into the business, on the back of a company survey and desire from the team.

Renewable Energy: Bluetree's third unit energy tariff was also moved to a REGO backed energy tariff, resulting in over 99% of our imported electricity being REGO backed.

◆ **August 2023:**

Waste Management: Bluetree review their waste management systems, with multiple waste care partners, ensuring they are doing the utmost to separate our waste and maximising recycling opportunities.

ESOS Audit: Bluetree undertook their ESOS Phase 3 Audit, identifying energy saving opportunities in multiple areas.

◆ **December 2023:**

Waste Management: Bluetree changed their key waste supplier to a local company, who maintain out 0% to landfill and reduce the milage per collection.

◆ **January 2024:**

Waste Management: Bluetree undertake a large project on their Unit A yard and Unit B production hall, to improve the waste management system. The changes make it easier and safer for the team to exchange their waste and reduces contamination levels coming from Unit B

◆ **March 2024:**

Team Training: The Sustainability Manager and Personal Development and Wellbeing Trainer start developing the new 'Learning Labs' around waste management and COSHH controls.

Air Leak Testing: BSE visit site and identify several air leaks, Bluetree then fixed all identified issues and commit to yearly testing in the future.

◆ **April 2024:**

Value Chain Management: First Cohort Due Diligence Questionnaire Reports are sent by the Sustainability Manager.

Large Waste Clear-out: As Bluetree gear up to release their Doncaster storage site, a review of all stock being held there is moved to Wath and any waste that needs to be removed is done so in line with the Waste Hierarchy.

◆ **May 2024:**

Solar Expansion: Bluetree complete it's first year of onsite generation and begin to investigate how to overcome previous for their onsite generation.

Value Chain Management: The team begin engagement with the second cohort of their Value Chain Management Project.

Team Training: Bluetree launch their first sustainability driven 'Learning Lab', to their entire team. Focusing on the commerciality and importance of good waste management practices.

Net Zero Progress Audit: Bluetree had its 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 to 12.77 t/CO2e across its Core Scopes.

◆ **July 2024:**

Renewable Energy Supply: Bluetree release their Doncaster unit, bringing all their energy contracts under REGO backed tariffs for the first time.

Trade Effluent: Bluetree engage with the local water authority to ensure they are discharging their trade effluent properly.

Efficient Cooling System Installation: Bluetree install their second Landa Press, and install 2 efficient cooling coils at the same time, reducing the energy used onsite refrigeration units.

Appendix

In this section you can find the end of year data on some of the KPI's we committed to in our original Sustainability Strategy. The dates represented are for the financial year running from May – April.

Conscious About Cutting Carbon KPI Table

TARGET	KPI	END OF YEAR TOTAL/AVERAGE 2022-2023	END OF YEAR TOTAL/AVERAGE 2023-2024
NET ZERO FOR SCOPE 1, 2 AND DOWNSTREAM 3 RELATED TO DELIVERY AND DISPOSAL OF BTG PRODUCTS BY 2030 AND ALL SCOPES BY 2035	TOTAL T/C02E CORE SCOPES 1,2 AND 3	1,180	753
	TOTAL T/C02E ADDITIONAL SCOPES	24,196 AND ID	22,887
	TOTAL T/C02E ALL COMBINED SCOPES	25,376	23.640
	TOTAL T/C02E CORE SCOPES 1, 2 AND 3 PER £M OF TURNOVER	20.19	13.14
	TOTAL T/C02E (ALL COMBINED SCOPES) PER £M OF TURNOVER	454.45	425.79
PURCHASED RENEWABLE ENERGY	AVERAGE PERCENTAGE (%) OF ENERGY PURCHASED FROM RENEWABLE SOURCES OVER 12 MONTHS	92.74%	99.52%
REDUCE C02E RELATED TO MOVEMENT OF ALL PEOPLE, PRODUCTS AND SERVICES	KG/C02E PER KM FOR COMMUTING	1.86	2.4
REDUCE C02E ASSOCIATED WITH PURCHASED GOODS AND SERVICES	PERCENTAGE (%) SPEND OF PURCHASED GOODS AND SERVICES REPORTED	80%	80%
REDUCE ENERGY AND WATER WASTE ACROSS THE BUSINESS	TOTAL KWH (ELECTRICITY AND GAS) PER £(M) TURNOVER	1,863,205	1,678,205
	M3 (WATER) PER £(M) TURNOVER	114.99	151.19

Putting the Planet First KPI Table

TARGET	KPI	END OF YEAR TOTAL/AVERAGE 2022-2023	END OF YEAR TOTAL/AVERAGE 2023-2024
IMPLEMENT THE WASTE HIERARCHY, ENSURING ZERO-WASTE TO LANDFILL	PERCENTAGE WASTE BEING CONVERTED TO REFUSE DERIVED FUEL	6.94%	9.32%
	PERCENTAGE WASTE GOING TO LANDFILL	0.1%	0%
	PERCENTAGE WASTE REUSED OR RECYCLED	95.15%	90.68%
NO ENVIRONMENTAL INCIDENTS LEADING TO A NEGATIVE OUTCOME	NUMBER OF INCIDENTS	0	0
	PERCENTAGE OF COMPLETED INCIDENT FREE INSPECTIONS (NON- CONFORMANCE OR OBSERVATIONS)	94%	82%

Inspiring Green Team & Culture KPI Table

TARGET	KPI	END OF YEAR TOTAL/AVERAGE 2022-2023	END OF YEAR TOTAL/AVERAGE 2023-2024
INCREASE KNOWLEDGE AND UNDERSTANDING OF SUSTAINABILITY INTERNALLY AT BLUETREE	% OF TEAM COMPLETED SUSTAINABILITY MODULE #1	24.31%	83.12%
	TOTAL NC'S RECORDED OVER 12 MONTHS	17	10
MAINTAIN LIVING WAGE EMPLOYER STATUS	YEARS:MONTHS HELD	4 YEARS, 1 MONTH	5 YEARS, 1 MONTH

Sustainability at the Source

TARGET	KPI	END OF YEAR TOTAL/AVERAGE 2022-2023	END OF YEAR TOTAL/AVERAGE 2023-2024
FULLY MAP OUR VALUE CHAIN	% SPEND ENGAGED	92.45%	88.23%
	% SPEND COMPLETED DUE DILIGENCE QUESTIONNAIRE	44.11%	27.94%

Links to 2022 Sustainability Strategy: <https://www.bluetreegroup.co.uk/> the strategy is downloadable at the bottom of the page, in the links section.



BluetreeGroup