

BluetreeGroup

Sustainability Report 2025



Foreword from the CEO's

As the UK's leading online print provider, we take our environmental and social responsibilities seriously, in both our local community and in the impact we have across the globe. We recognise that, with our industry position, comes a duty to drive real change, set new standards and push for continuous improvement within print manufacturing.

Our dedicated Energy & Sustainability Manager, alongside the wider team, is constantly reviewing and refining the way we work to encourage innovation and reduce our impact. We're proud that these efforts have been acknowledged, including winning the Net Zero Champion award at the Engineering and Manufacturing Awards, as well as the Energy and Sustainability Award from Make UK for the North East, Yorkshire, and Humberside region.

We remain firmly on track to hit our two net zero goals by 2030 and 2035. In 2025 our carbon intensity is 8.29 (carbon/revenue) against our target of 15. These are not just targets, they're milestones that reflect our ongoing commitment to sustainability and the progress we've already made. In a fast-moving business like ours, weaving sustainability into the fabric of decision making helps us stay focused on long-term environmental and social value, no matter how quickly things evolve.

Our third annual sustainability report highlights the strides we've taken so far and outlines the next steps in our plan for the year ahead. We're determined to keep momentum high and ensure responsible business practices remain at the heart of everything we do. — **Adam Carnell Co-CEO**

At Bluetree Group, we're proud of the progress we've made, and continue to make, on our sustainability journey. We've held ISO 14001 certification since 2010, and this year marks the fifth time we have had our carbon performances audited under ISO 14064-1 certification, reflecting our commitment to measurable and ongoing carbon reductions through our dedicated reduction plan.

In 2022, we launched our formal Sustainability Strategy, setting out two ambitious net zero targets to guide our actions. We remain fully committed to using only FSC® certified paper across our products and actively invest in new technologies that help us reduce our carbon footprint, such as the large Solar Expansion we undertook earlier this year. Alongside this, we're always looking for new ways to cut energy use and operate more efficiently, something that is key to our strategy moving forward.

Our environmental commitments are not just about business, they're about protecting future generations and helping to secure the long-term sustainability of our industry. In our third annual report, we share the progress we've made so far, outline our plans for the year ahead, and reflect on where we're heading next. — **James Kinsella, Co-CEO**

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 through continuous improvement delivered via 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

At Bluetree Group, we're proud to support a diverse customer base across the UK and internationally, offering a broad range of products through both our print and medical divisions. As our business continues to grow and evolve, we stay focused on developing new products and processes that help reduce our environmental impact, while ensuring we maintain the highest standards of ethical sourcing.

We're a business that never stands still. Staying agile and adapting to an ever-changing economy is part of who we are. Over the past year, we've started rolling out a bold transformation programme we've called **Factory 2025**. This includes introducing new levels of automation across our operations, rolling out a 5S system, improvements to pedestrian and vehicle separation and much more, alongside making a significant investment in onsite energy generation, maximising our roof space with high-performance solar panels. We've also improved our infrastructure with a brand-new chemical storage area, using three fully bunded, ventilated shipping containers, and added a large covered outdoor storage space.

Combined with these changes, we've expanded our product range to meet new customer needs. This includes launching printed paper bags, new large format products like café barriers, and a stronger label and sticker offering. With these additions come new operational challenges, whether it's managing work routing more efficiently or incorporating new materials and chemical processes into our production flow.

In 2022, we launched our first Sustainability Strategy, which is aligned with the United Nations Sustainable Development Goals and the Paris Agreement. As part of this, we set ourselves two key net zero targets:

- **Net Zero in our Core Scopes by 2030**, which covers Scope 1 (direct emissions), Scope 2 (indirect emissions from purchased energy), and selected Scope 3 emissions.
- **Net Zero across all Additional Scopes by 2035**, covering the remaining areas of Scope 3.

Our strategy is structured around four key areas, or what we call our '**sustainability branches**': **Conscious about Cutting Carbon, Putting the Planet First, Sustainability at the Source and Inspiring Green Team and Culture**. Each one ties directly back to our core company values and helps us stay focused with clear, measurable goals.

I remain incredibly grateful for the dedication and hard work our team continues to put into reducing our carbon impact and improving our systems for better environmental outcomes. To celebrate that effort, we've added a new '**Team Spotlight**' section to this year's report, recognising individuals who've gone the extra mile to help move us forward.

As always, this year's report shares what we've achieved over the last 12 months, how we're tracking against our targets, and what's next on the horizon.

Jack Pearson, Energy & Sustainability Manager

Highlights From the Last 12 Months

Our New Solar Expansion Project

In 2023, we completed the first phase of the project, installing 646 solar panels with an estimated annual output of 209 MWh (209,000KWh). Encouraged by the success and output of this initial installation, the company committed to covering the remaining roof areas of Units A and B.

The newly installed bank adds an additional 1,765 panels, expected to generate an additional 839.6 MWh (839,626KWh) per year. Combined, the two installations are projected to supply approximately 13–15% of our total energy needs.

This project marks a major milestone in our sustainability journey. While we still have work to do, the progress we've made demonstrates what's possible when we invest in the right infrastructure and commit to long-term change.



Our Second Full Year of Onsite Generation

The second year of our original Solar Installation generated a total of 221,240.60KWh of renewable energy onsite, slightly lower than the first 12 months. This onsite generation continues to contribute to the decarbonization of our operations through a reduction in our T&D Loss emissions and will rise dramatically over the next year following the solar expansion project.

Extraction Upgrade

This year we upgraded our waste extraction system to make the system much more energy efficient. The project involved remapping where air extraction was needed, removing certain parts of the system that were no longer in use and installing new sections of ducting. The new system provides more efficient airflow, meaning we can reduce the amount of power draw from the extraction units outside. We also installed an inverter which gives us the ability to reduce the frequency of the fans, but still maintain the minimum airflow needed for the factory.

The original system used approximately 1,370,880KWh annually, this is around 16% of our annual energy consumption, highlighting the need to make this operation as efficient as possible. Working with our installers we estimate the new system to be at least 25% more efficient, which should reduce our consumption by 342,720KWh per year, around 4% of our annual energy consumption.

Energy Efficient Cooling Unit 2 Installation

Effectively managing excess heat has always been a key consideration when running our printing presses. In the past, our Digital Landa Press relied on a refrigeration unit to keep the system cool, an approach that required a significant amount of energy.

In summer 2024, with the installation of our second Landa Press, we also introduced the first of two energy-efficient cooling coils. These systems use ambient outdoor air to chill the coolant, significantly reducing our reliance on energy-intensive refrigeration units. The second coil was installed in February 2025, completing the upgrade.

Based on historical weather data for our region, we estimate that operating both coils at full capacity will save approximately 183,168KWh of energy annually, a substantial step forward in improving our energy efficiency.

Elimination of LPG from Emissions Profile

In December 2024 we removed the last of our LPG powered Forklift Trucks from site. We have now eliminated LPG from our emissions profile, which has historically accounted for an average of 16.25t/CO2e each year.

Reductions in Natural Gas

This year we have removed all but one sources of natural gas consumption from our site, the largest of which were large industrial drying units which we have replaced with smaller domestic style dryers to better align with the business needs. The only remaining source is a large heating system in one of our production facilities. We are actively seeking ways to remove or replace this system with an electric counterpart that will eliminate natural gas and heat our workspace much more efficiently.

Waste Improvements and Storage Improvements

Part of our sustainability commitment is to ensure our operations have minimal impact to our local environment and biosphere, with this in mind in February 2025 we invested in three large fully ventilated and bunded chemical storage units, and a large outdoor canopy. With these new pieces of equipment, we created a new waste storage area on site, that is more easily accessible for our warehouse team, and keeps all the waste scheduled to leave site in one area. The investments have increased our ability to safely store waste short-term until it is collected by our waste partners and reduces the likelihood that we have an incident that could lead to an environmental incident, such as waste reaching a local water way.

VCM Rework

Our Value Chain Project has taken a backseat to other projects in the last year; we have spent some time designing a relaunch of the system based on feedback from the early phases of the project. Our new questionnaire has been designed to be much simpler, and we are focusing our efforts on our key

Paper and Ink suppliers, as opposed to 80% of our spend. Our goal is to get concrete data points from these key suppliers, then expand on this to other smaller areas such as machine parts etc. over the next few years.

Traffic Light System

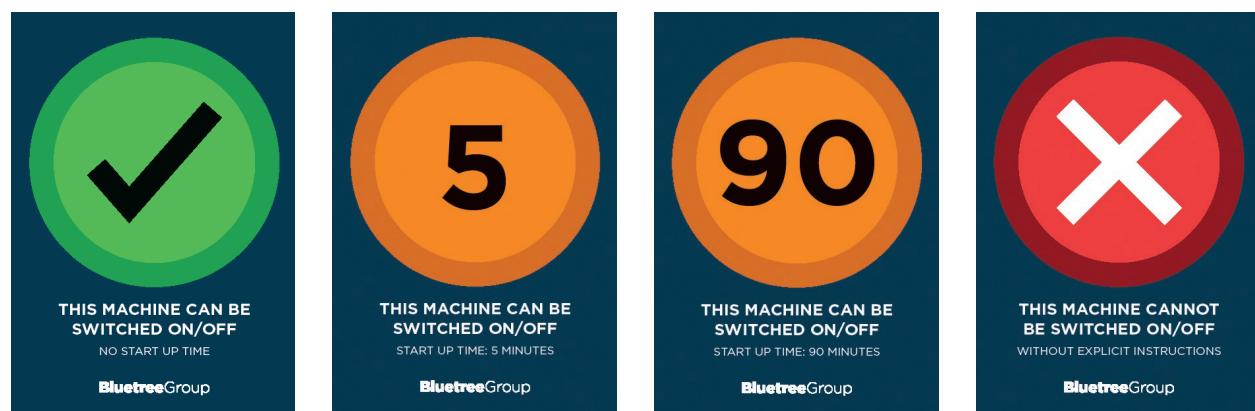
In Winter 2024 we also launched a new traffic light system across most of our equipment, that adds a simple, easy to understand visual indicator to equipment, letting operators know when items should be turned off, left switched on and if the equipment has a start-up time.

A Green Indicator, with a tick, shows that a piece of equipment can be turned on and off at will, this is the case for much of the smaller equipment we have on site.

A Red Indicator, with a cross, shows that a piece of equipment should not be turned off unless specifically instructed to do so, this is usually for our larger presses that run 24/7 and have long start up routines.

The Orange Indicators are a little different, instead of a tick or cross they contain a number that shows our team how long they should factor in for machine startup, should they turn the machine off. These are usually on equipment like perfect binders, that require a short time to heat up.

The idea with this project is to empower our team to make smart decisions regarding energy, if something can be switched off and on at will we expect this to be done, if someone is stepping away from a machine for 2 hours, and they know it has a 5 minute start up, we expect it would be turned off, with a clear indication of when it should be switched back on. We will continue to update and roll out improvements to this system as our equipment list changes and as we get feedback from our operators.



Our Next 12 Months at a Glance

Heating Project

Over the past few years, we've made strong progress in cutting our Scope 1 emissions, phasing out LPG and significantly reducing diesel and petrol use. Our next focus is eliminating our remaining natural

gas consumption. Currently, the only source of natural gas on site is our gas-powered heating system. We're actively exploring alternative heating solutions that will allow us to retire this system and heat our workspace more efficiently. While the scope of the project is still being defined, we're confident that a more energy-efficient solution exists. We'll keep you updated on developments in next years report.

Sub Metering

Sub metering has been a challenge in recent years, largely due to the evolving nature of our manufacturing site, including changes to floorplans and equipment. These changes have made it difficult to track asset-level energy usage consistently over time. However, we remain committed to implementing this initiative when conditions allow. Gaining deeper insights into asset-level energy use will empower our Production Control team to make smarter decisions around routing work, driving both material and energy efficiency.

Traffic Light Phase 2

As our operations continue to grow and evolve, so does our equipment. With new machinery comes new opportunities to optimise energy usage. This year, we'll be expanding our Traffic Light system to include all newly installed equipment. This system helps operators make more informed, energy-efficient choices when using machinery, giving them the tools to work smarter and more sustainably.

Value Chain Management

Over the next year, we'll be refining our value chain analysis by focusing on our key paper and ink suppliers. The goal is to obtain direct emissions data for the products we purchase, allowing for more accurate reporting. Once we've captured this information, we'll look to expand the project to cover additional areas of significant spend, likely machine parts and capital expenditures.

Staff Transport

We'll continue exploring ways to support lower-emission commuting, such as encouraging carpooling, exploring electric vehicle charging points, and promoting our Cycle to Work scheme. We recognise that our varied shift patterns can make carpooling difficult, which is why we're planning to use next year's Module 2 training sessions to gather feedback directly from staff. This will help us identify ideas and initiatives that would encourage more people to choose lower-carbon commuting options.

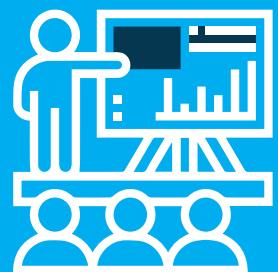
Deliveries & Packaging Redesign

We're taking a two-pronged approach to reduce Scope 3 emissions from downstream deliveries. First, we're working to optimise how we package our products, aiming to maximise use of delivery vehicle space. This should allow us to consolidate more orders per vehicle, ultimately reducing the total number of trips. We've already piloted a packaging redesign for business cards and will apply the learnings to other product lines.

Second, we're engaging directly with our delivery partners to increase the number of electric vehicles (EVs) used for our shipments. This project brings some unique challenges, coordinating with partners to align goals, maintaining product quality across varied packaging types, and ensuring any changes stay true to our customer-first commitment. Striking the right balance is key, so we'll take a thoughtful, phased approach and keep you posted as we progress.

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:
- 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.

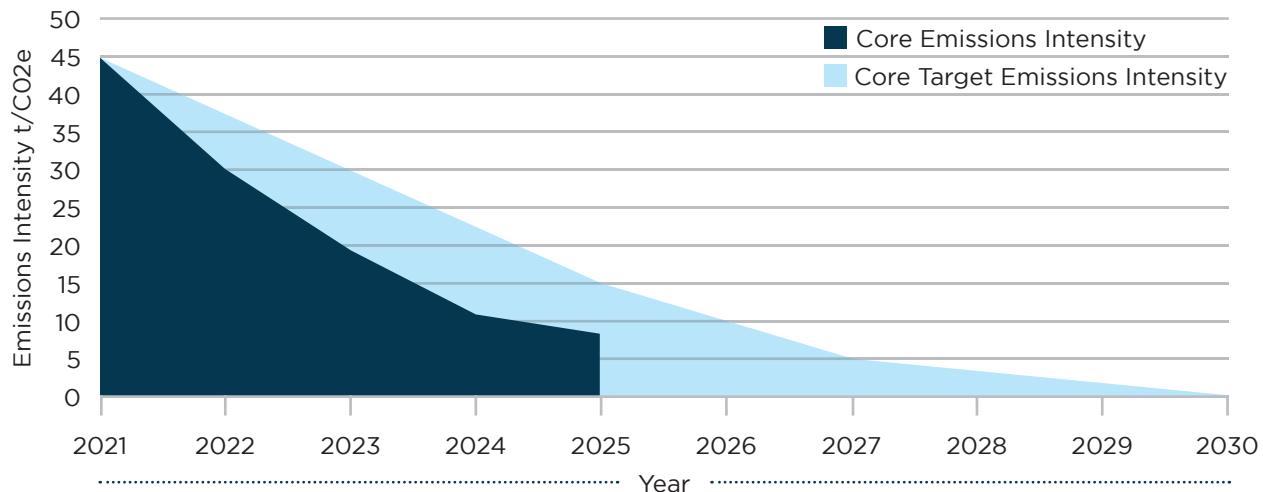
Core Scope 3 - These are the Scope 3 emissions we have been reporting on from 2021 and encompass our Downstream Deliveries, Waste Disposal, Waste Supply and Water Treatment and T&D loss.

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.

Core Scope 1, 2, & 3 Emissions Intensity Ratio Actual vs Target



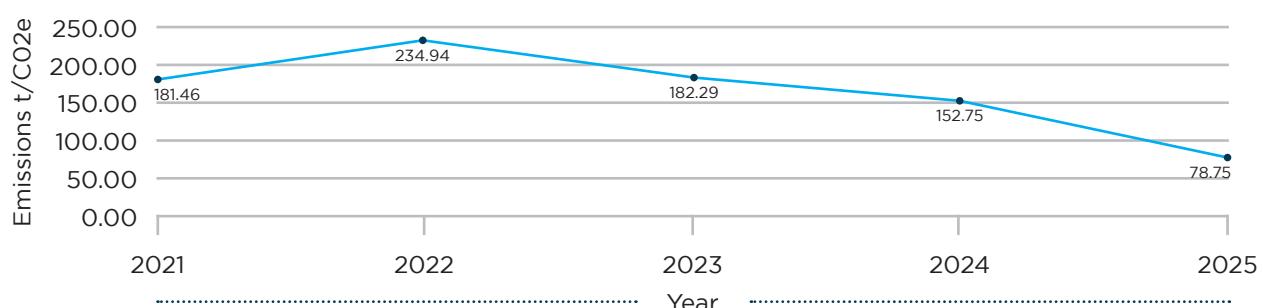
One of our key performance indicators (KPIs) is the continuous reduction of a chosen emissions intensity ratio (EIR). The EIR we have chosen to track is our tCO₂e / revenue per £Million. The chart above shows our actual EIR vs our targeted EIR. This number is derived from our total emissions from our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

- In 2021, our carbon intensity was 44.78 against our target of 45.
- In 2022, our carbon intensity was 30.55 against our target of 37.5.
- In 2023, our carbon intensity was 18.76 against our target of 30.
- In 2024, our carbon intensity was 11.59 against our target of 22.5.
- In 2025, our carbon intensity is 8.29 against our target of 15

Below we have broken down the individual scopes over the last 5 years. All data has been verified under ISO14064-1 Achilles Carbon Reduce Scheme.



Scope 1 Emissions



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.

Reductions at a Glance

- We are pleased to say **our overall Scope 1** emissions have **reduced by 48.45%** in the last year.
- We have **reduced** our emissions from **fuel combustion** by an **83% YoY** from 41t/CO2e to 7t/CO2e.
- We have **reduced** our emissions from **natural gas** by **35% YoY** from 97t/CO2e to 63t/CO2e.
- We have **reduced** our emissions from **LPG** by **48.45% YoY** from 22t/CO2e to 9t/CO2e.

How Have we Achieved This?

Releasing our Doncaster Site in summer 2024, after moving production away from this facility in early 2024, means we no longer have the requirement of transporting materials or work across site. This has enabled us to release some of our in-house fleet of vehicles, such as our 18-tonne truck, our 17.5 tonne truck and several smaller vans. Eliminating many 48km cross site trips occurring, resulting in a dramatic drop in emissions derived from the combustion of fuel.

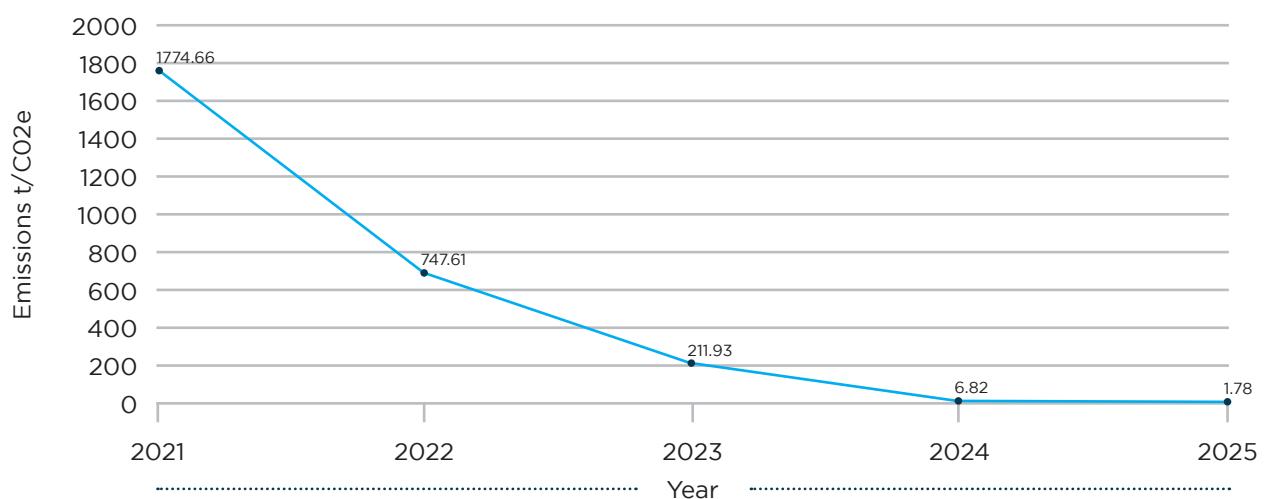
We have also reduced the amount of natural gas we use on site. No longer heating the Doncaster Unit played a part in this. In early 2025 we also removed some large industrial drying units that relied heavily on natural gas to operate, we have replaced these with electric counterparts that are more in line with our business needs.

We have also eliminated the use of LPG use from our operations in November 2024. We achieved this by removing all our gas-powered forklift trucks from site, ensuring a fully electric manual handling fleet, as we set out in our 2024 report.

What are our next steps?

The next step to reducing our Scope 1 emissions, is to eliminate the use of natural gas completely at our facilities, we only have one source of natural gas left on site, a large Ambirad heating system. We are actively seeking a viable electric alternative, and plan to implement this change in early 2026. Once we remove this last source, we will eliminate the last 63t/CO2e of natural gas emissions in our portfolio. Next year we will also achieve our first full year without LPG in our portfolio.

Scope 2 Emissions



Scope 2 Emissions refer to emissions that are a result of our imported energy.

Reductions at a Glance

- We are pleased to say our **overall Scope 2** emissions have **reduced by 73.9%** in the last year.

How are we doing?

We have taken another big step toward reducing our Scope 2 emissions, as of July 2024 all our active sites operate on Renewable REGO backed tariffs. 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, the small amount of emissions left are from the electricity used before releasing our Doncaster site in July 2024.

The newly installed solar panel bank adds an additional 1,765 panels, expected to generate an additional **839,626KWh** per year. Combined, the two installations are projected to supply approximately 13-15% of our total energy needs.

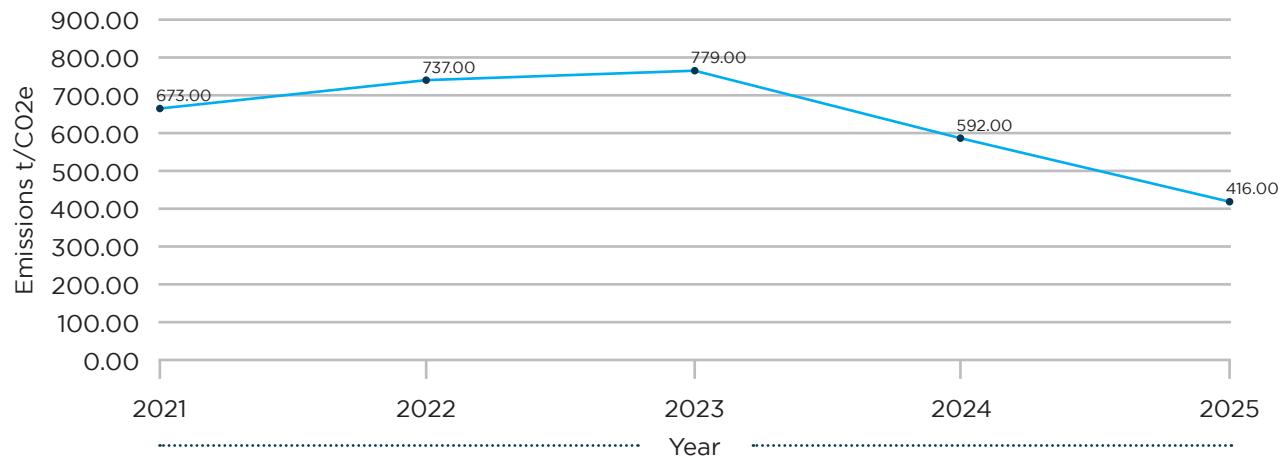
This year we updated our air extraction systems to improve energy efficiency across the site, in line with a recommendation from our last ESOS Audit. An initial survey highlighted that our old extraction system used approximately **1,370,880KWh** of electricity each year, that's around **16%** of our total consumption! With this in mind we set out to make our system more efficient by upgrading the system to improve the airflow efficiency of extraction by removing 'dead zones' and unused sections of ducting, providing a more balanced system overall. We also installed an inverter which gives us the ability to reduce the frequency of the fans, but still maintain the minimum airflow needed for the factory. We estimate that this change will increase efficiency by **25%**, reducing our energy consumption by a massive **342,720KWh** each year (around **4%** of our total energy consumption).

We also continue to check for air leaks, this year we saw a huge reduction in leaks from last year, but still identified and fixed 20 leaks that could waste approximately **101,645.2KWh**.

What are our next steps?

Next year we will run for a full 12 months on REGO backed renewable tariffs, in essence eliminating our Scope 2 emissions. This doesn't mean we can rest; our next goal is to reduce our overall consumption, we will continue to push forward with our sub meter project and get a better understanding of how and where we use our energy, which will inform how we tackle reducing consumption.

Core Scope 3 Emissions



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, Water Supply, Water Treatment and Transmission and Distribution (T&D) loss associated with energy from the national grid.

Reductions at a Glance

- We are pleased to say **our overall Scope 3** emissions have **reduced** by **29.72%** in the last year.
- We have reduced our emissions from **disposal of waste** by **69.66% YoY** from 89t/CO2e to 27t/CO2e.

- We have **reduced** our emissions from **Freight** by **35.71% YoY** from 364t/CO2e to 234t/CO2e.
- Emissions from **Water Supply and Treatment** remained the same at 3t/CO2e.
- **Transmission & Distribution Loss** increased by **11.76% YoY** from 136t/CO2e to 152t/CO2e – due to our increase in energy consumption.

How Have we Achieved This?

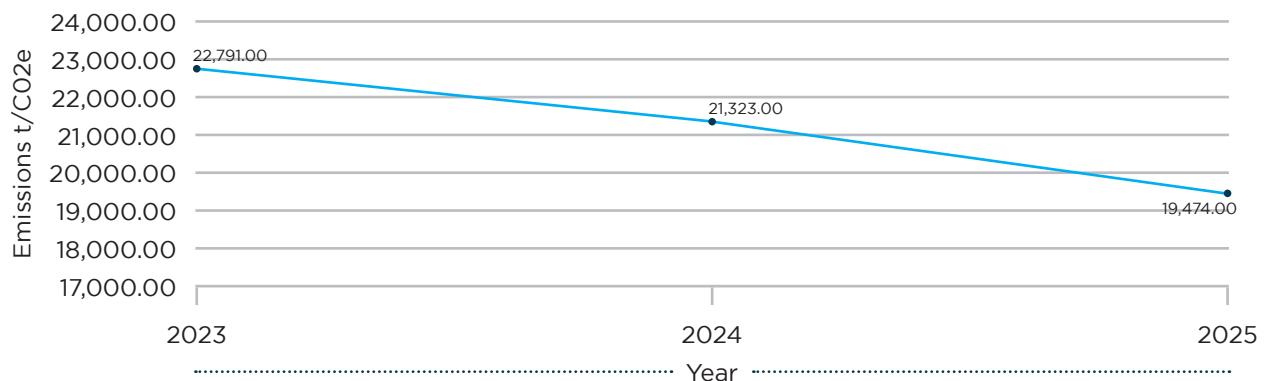
This year marked the further reductions in our Core Scope 3 emissions and remains below our base year of reporting. The changes come from further improvement to waste segregation and disposal, and a reduction in the number of international flights used for freight. We also continue to work with our key delivery partner to encourage deliveries on EVs.

Emissions associated with T&D Loss rose in line with the increase in energy consumption. This stresses the importance of reducing our consumption. We should see improvements next year due to the new Solar Array and the continued drive to increase energy efficiency across the business.

What are our next steps?

Downstream deliveries still offer the greatest potential to reduce our emissions under Core Scope 3 and will be our largest focus area over the coming year, we will achieve this by continuing to work with our delivery partners to ensure as many consignments as possible take place on electric vehicles.

Additional Scope 3 Emissions



How are we doing?

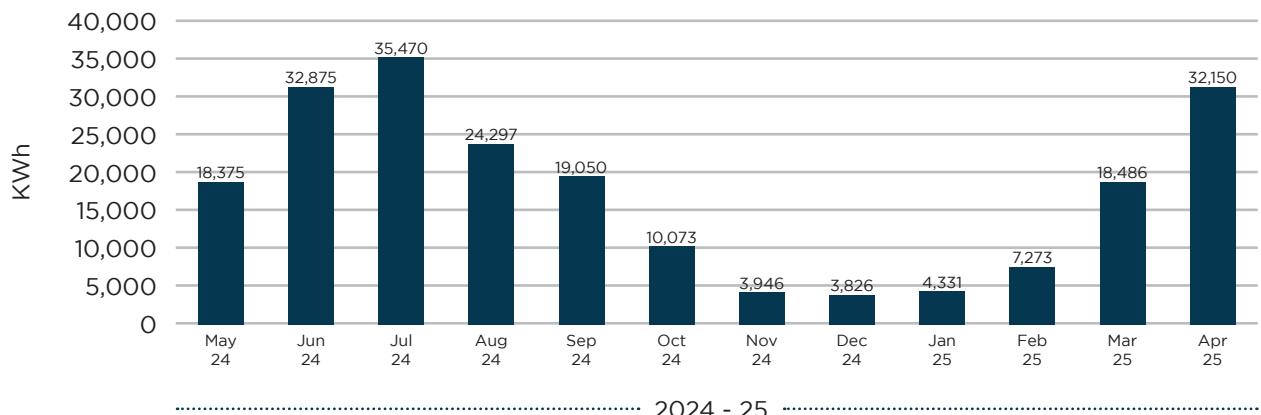
Our Expanded Scope 3 emissions encompass all other Scope 3 emission not tracked under our Core Scope 3's. So far, we are reporting on our Purchased Goods and Services and Staff Transport. We are hard at work mapping and assessing our value chain and its associated impacts, with the goal of reducing emissions 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.

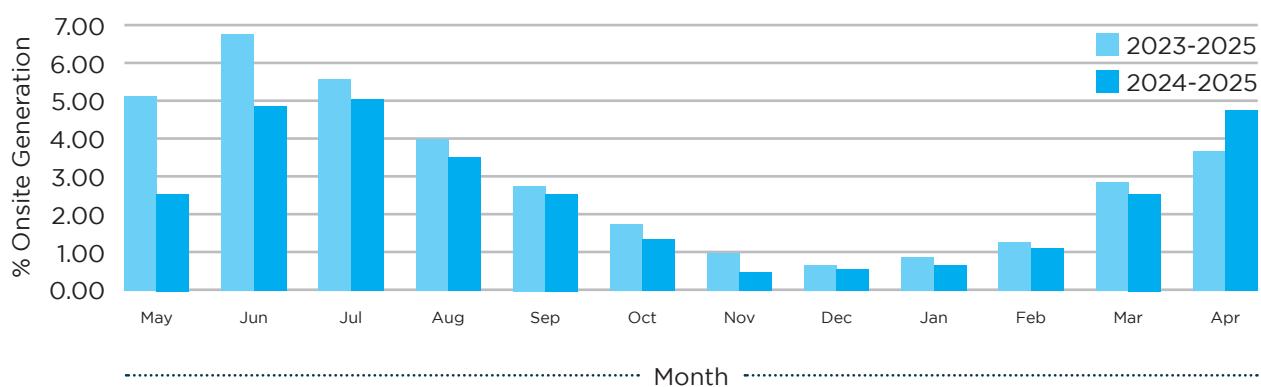
We will do this by obtaining concrete carbon data from our key paper and ink suppliers, who make up the vast majority of our purchased goods. This will allow us to make informed purchasing decisions and begin to influence both their and our operations through collaboration and knowledge sharing, driving 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.

Onsite Generation



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 by reducing emissions associated with T&D Loss. In 2024-25 we generated 210,153KWh, slightly less than the 2023-24 period which was 223,716.5KWh. Summer 2025 saw the completion of our new solar array, which will dramatically increase this number in the future.



The graph above shows our onsite generation as a % of our consumption for the financial years 2023-24 and 2024-25. As a manufacturing business, our energy consumption is very large, which highlights the need to implement efficiency measures to improve the % covered by our onsite generation.

What are our next steps?

Although we have maximised the roof space available on site, we are eager to increase our onsite generation even further. Over the next 12 months we plan to engage with the market through trade shows such as EMEX, to explore what other technologies we might adopt in the future.

We look forward to sharing our percentage generation next year, we expect it to be as high as 25% in the summer months, with an yearly average of around 15%.



Putting the Planet First

Doing our part to protect the Earth through improved processes

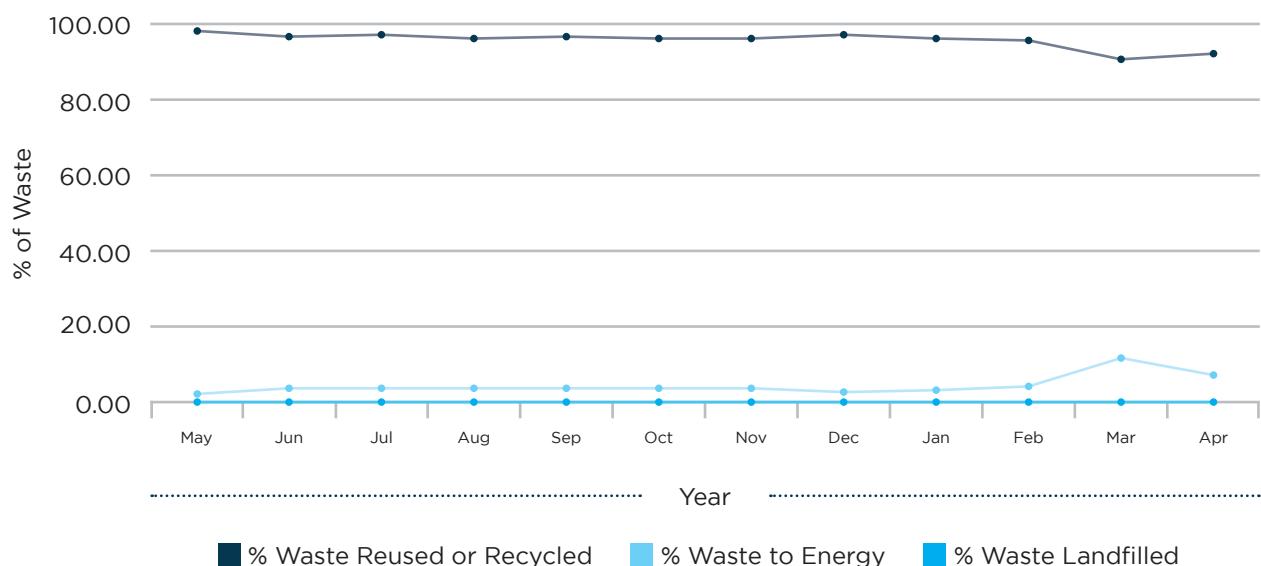
CONTINUOUSLY SEEKING TO IMPROVE

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.

% Disposal of Waste



How are we doing?

The data above represents a key milestone for Bluetree, as it is our second full year that we have achieved 0% to landfill. We are always reviewing our waste streams to ensure we are recycling as much as possible, and in many cases, we will reuse waste for other projects onsite, see our 'Team Spotlight' section for more information.

We also invested in a new Chemical Storage area in our Unit B yard, consisting of 3 fully ventilated and bunded shipping containers, and a large outdoor covered storage space. This means the flow of dangerous and hazardous chemicals coming from our production is managed more effectively than ever before.

This year we also introduced a new food waste stream in line with government guidelines.

What are our next steps?

We are in constant contact 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.



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 will we achieve 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.

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.

How are we doing?

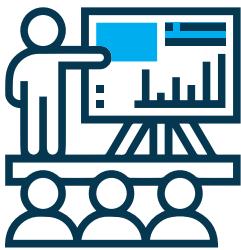
This year we took a small step back from our Value Chain Project, to reflect on the successes and pitfalls of the project so far, reestablish what we are trying to achieve and redesign a system, based on feedback.

Engagement with suppliers is critical to the success of this project, it was important to listen to their needs as well as our own when we set out to redesign the project. With this in mind we created a new, streamlined version of our questionnaire that cuts out a lot of questions while also ensuring we still obtain information that satisfies our need to work with socially and environmentally conscious partners. We also changed how we distribute the questionnaire, as feedback indicated the questions we were asking were too complex, and the method of communicating could use some work.

What are our next steps?

The next year will be spent working directly with our Ink and Paper suppliers to gather concrete data points about their carbon figures, to better understand their impact on our Purchased Goods and Services aspect of our Scope 3 emissions. We have chosen to do this as the spend based model that we currently employ has a large degree of uncertainty to it, we want to move away from this model and toward a methodology with less uncertainty. Narrowing the focus to our Paper and Ink suppliers will shrink the portion of suppliers covered by the project, the trade-off being that the data will be more accurate and should make the ambitious nature of the project easier to manage. Once we have gathered data from paper and ink suppliers we will begin to widen our focus to other areas, starting with the largest spend categories first, such as machine parts, building services and cap ex.

We will begin the launch of our new system in late 2025, I look forward to updating you next year.



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 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, 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?

We have two key large pieces of training, 'Bluetree vs Climate Change, Module 1 & 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. This module makes up part of our company onboarding process, meaning every new member of our team will automatically be enrolled to this training module.

Module 2 invites 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 number of times in the past which have lead to some easily implementable improvements to areas like waste segregation, energy efficiency and lots more. Over the last 12 months we put a hold on Module 2, while we focused on other areas, but we plan to reintroduce this module over the coming months.

We also regularly roll out other smaller training modules called 'Learning Labs' which are bite sized, targeted pieces of training, designed to drive a specific goal to relevant teams. This year we have run these for topics such as COSHH safety, correct waste segregation, emergency spill controls and how to deal with them.

Team Spotlight

Our sustainability efforts are driven by the whole team, but this year we wanted to highlight some of the Sustainability Superstars within Bluetree Group. This year we want to focus on the 12 team members in our Engineering Team. Our Engineers are the ones that turn sustainable ideas into finished working solutions. In the last year the team have upcycled several different items, helping us apply the principles of the waste hierarchy throughout Bluetree Group. We've included some details about just a few of these projects below:

Jacob White Machine

This project was initially proposed by Aaron, who oversees the design and development of our production processes. Aaron saw an opportunity to refit an old piece of kit, originally used to create boxes for medical products, into a sophisticated business card packaging machine. By 3D printing new parts, resizing bearings and rails, reprogramming the machine and much more the machine is now used to make business card packaging by creating the right sized net box, automatically inserting business cards and sealing the box around the product.

Without Aarons insights and months of hard work from Dan and Michal, two of our amazing Engineers, this machine would have been scrapped. The hard work of Dan, Michal, Aaron and many others has helped move this huge piece of 'waste' up the waste hierarchy from 'dispose and/or recycle' into 'reuse'. Well done to everyone involved.

Digital Print Wash Station

Ivan, one of our engineers, took an old wash station that was no longer fit for purpose and made use of everything he could while re-piping, fitting a higher-powered pump and rewiring the unit to ensure it is IP65 rated. He also improved the existing frame using reused aluminium from our old mask making machines. While this project isn't full recycled, Ivan did his best to ensure he reused as many components as possible. The new wash station is much more effective at filtering dirty water and reusing it, reducing the amount of water used during its operation.

Work Stations

In the past year we have seen a lot of change in our facilities and the products we produce on site. Because of this many new workstations were needed, from sitting stations to run sewing machines, to large flat tables to pack large format products, and a brand-new standing workstation for our Supervisor team. The engineering team used old aluminium from some old mask making machines to build frames of all shapes and sizes, which were then clad with MDF. Another great example of reusing whatever materials we can to great effect.

Air Handling Unit

An old piece of air handling equipment from our Unit B, used to supply fresh air into our old medical facility, has been repurposed as a cooling unit in our Unit A production facility. The project involved reworking the ducting, adding a mechanism to cool and filter the fresh air being supplied to the building. This project has allowed us to reduce downtime on some of our equipment and increase productivity and efficiency by reducing the amount of unplanned maintenance needed to keep things running smoothly.

What's Next?

An upcoming project that the Engineering Team will be working on is to repurpose some of the mezzanine flooring from our old Unit D and repurpose it as a wall store for our Unit B warehouse. We have kept hold of this material for quite some time, instead of disposing of it, because we knew we could reuse it for a future project, highlighting how reuse of materials is always front of mind for us.



Ivan, working on the workstations for our new Large Format area.

Interview with Ivan

Ivan is a member of our Engineering Team and is a great advocate for all thing sustainability within Bluetree Group. His support has been instrumental in driving our ambitions forward, since we launched our Sustainability Strategy a few years ago. Ivan is a true Sustainability Champion and the master of upcycling old equipment, always coming up with creative and inventive ways to repurpose things that would otherwise be thrown away. Ivan is supported in this by the whole Engineering Team, we are all extremely appreciative of all the effort they all put into Bluetree Group.

Is up-cycling something you've always been passionate about, or did it grow out of your work here?

It's something I've always done; my background is working as an engineer in the appliance industry and back then we would 'mend & make do'. We made sure things lasted as long as they could. I try to bring that philosophy with me in the work I do now.

Where do your ideas come from? Are you inspired by what materials you have to work with or by a particular need of the business?

A mix of both really, the Air Handling unit was something that I identified myself as something that could be repurposed and then the whole team worked together to make the change. But sometimes the business will ask for a solution to a problem, and we work together to create something, the standing work-station is a good example of this. Everything we repurpose, whether solution driven or spontaneous, is built with quality in mind. We will only repurpose materials we know stand up to the quality we expect in our production facility.

What are some of the most successful or surprising upcycling projects you've done here?

The project with biggest impact to our team is probably the new wash station in digital print, they have told me it has made this aspect of their job much easier than it was before. The biggest success for the business as a whole will be the Air Handling unit, as this has stopped issues we were having with some equipment overheating, and has resulted in far less downtime for the machines we were trying to keep cool, improving efficiency and making sure that our kit is running when our customers need it.

What's the biggest challenge you've faced when upcycling at work?

It's usually logistical challenges, moving big items around our facility can be difficult and we often have to hire equipment to allow us to do this. We see the value in this when it means we can reuse good bits of kit, instead of throwing them away.

Do you also upcycle or repurpose things at home?

Yes, recently we redecorated, and I took all the skirting boards and used the wood to make all kinds of things like boxes or furniture. It's something I've always done. Mend and make do!

From all of us at Bluetree Group, thank you to Ivan and the whole Engineering Team, we are lucky to have you.

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 and other controlled sources that it continues to maintain to this day.

2017:

ISO 14001: 2017: 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:

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.

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.

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:

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.

May 2023:

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

Team Move: Team 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: We 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: We removed our heat tunnels 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 DMR stream is introduced into the business, on the back of a company survey and desire from the team.

Renewable Energy: Our 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: Our waste management systems are reviewed, with multiple waste care partners, ensuring we are doing the utmost to separate our waste and maximising our 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 DDQ 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 its first year of onsite generation and begin to investigate how to overcome previous issues to expand 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 11.59 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.

October 2024:

Waste Exchange System: Bluetree implemented a new waste exchange point, minimising the risks involved in moving chemicals in and out of the facility, the first stage in our waste improvements.

Energy Efficiency: Bluetree rolled out the first phase of their 'Traffic Light System', with the aim to encourage smarter use of machine uptime and reducing overall consumption.

November 2024:

FLT Electrification Rollout: Bluetree released their last LPG powered forklift trucks, eliminating LPG from the emissions portfolio and moving to a fully electric fleet.

January 2025:

Energy Purchasing Project: Bluetree began the process of flexible energy procurement, while maintaining their commitment to fully renewable energy procurement.

Solar Project 2025: Bluetree began the process of discussing the upcoming project with potential installation partners, setting out costs and system sizes ready for sign off by the board of directors.

March 2025:

Extraction System Rework: Bluetree started work on improving the efficiency of their air extraction system, cutting the overall energy consumption of the business by an estimated 4%.

June 2025:

Solar Project 2025: Installation of 1,765 new solar panels and 8 new inverters on all their available roof space, bringing their expected onsite generation to over 1,000,000KWh per year.

July 2025:

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 8.29 t/CO2e across its Core Scopes.

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 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	END OF YEAR TOTAL/AVERAGE 2024-2025
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/CO2e Core Scopes 1, 2 and 3	892	656	468
	Total t/CO2e Additional Scopes	22,867	21,412	19,501
	Total t/CO2e All Combined Scopes	23,759	22,068	19,969
	Total t/CO2e Core Scopes 1, 2 and 3 per £M of Turnover	18.76	11.59	8.29
	Total t/CO2e (All Combined Scopes) per £M of Turnover	447.77	422.76	352.81
Purchased Renewable Energy	Average Percentage (%) of Energy Purchased from Renewable Sources over 12 months.	92.74%	99.58%	99.94%
Reduce CO2e associated with purchased goods and services	Percentage (%) Spend of Purchased Goods and Services Reported	80%	80%	80%
Reduce Energy and Water Waste Across the Business	Total KWh (Electricity & Gas) per £(M) Turnover	166,232.44	155,541.35	152,905.56
Reduce Energy and Water Waste Across the Business	M3 (Water) per £(M) Turnover	126.63	165.99	161.98

Putting the Planet First KPI Table

TARGET	KPI	END OF YEAR TOTAL/AVERAGE 2022-2023	END OF YEAR TOTAL/AVERAGE 2023-2024	END OF YEAR TOTAL/AVERAGE 2024-2025
Implement The Waste Hierarchy, Ensuring Zero-Waste to Landfill	Percentage Waste being converted to Refuse Derived Fuel	6.94%	9.32%	6.65%
	Percentage Waste Going to Landfill	0.1%	0%	0%
	Percentage Waste Reused or Recycled	95.15%	90.68%	93.35%
No Environmental Incidents Leading to a Negative Outcome	Number of Incidents	0	0	0
	Percentage of Completed Incident Free Inspections (Non-Conformance or Observations)	94%	82%	89%

Inspiring Green Team & Culture KPI Table

TARGET	KPI	END OF YEAR TOTAL/AVERAGE 2022-2023	END OF YEAR TOTAL/AVERAGE 2023-2024	END OF YEAR TOTAL/AVERAGE 2024-2025
Increase Knowledge and Understanding of Sustainability Internally at Bluetree	% of Team Completed Sustainability Module #1	24.31%	83.12%	85%
	Total NC's Recorded Over 12 months	17	10	5
Maintain Living Wage Employer Status	Years:Months Held	4 Years, 1 Month	5 Years, 1 Month	6 Years, 1 Month

Sustainability at the Source

TARGET	KPI	COHORT 1 (2023-24)	COHORT 2 (2024 - 25)
Fully Map our Value Chain	% Spend Engaged	92.45%	88.23%
	% Spend Completed Due Diligence Questionnaire	44.11%	36%

BluetreeGroup