

OUR PLAN FOR A SUSTAINABLE BUSINESS



2021 Review





HERE FOR GOOD



About this Report

This report covers the relevant and significant social, ethical and environmental issues for the period 1 January 2021 to 31 December 2021. It aims to provide our stakeholders with an overview of our performance in these areas. Our 2021 report additionally includes data from our sites in Benin, Egypt Juice and Ghana Branded, but excludes data on Blue Skies Holdings personnel. We aim to include the Holding company in our next report.

For more information, contact Simon Derrick, our Head of Sustainability: <u>simon.derrick@blueskies.com</u>





A message from our CEO Hugh Pile

No one can deny that times are tough. After a devastating global pandemic, we have seen soaring inflation and ongoing supply chain disruption hit our business hard. However, despite these very real pressures, Blue Skies remains resolute to our Blueprint commitments. Indeed, the economic challenges we face now are as a direct result of political, social and environmental pressures. Therefore, we cannot afford to ignore the issues of global poverty, biodiversity loss, resources depletion or climate change or else the challenges we face now will be insignificant compared to those that we might face in the future.

2021 was indeed a difficult year, but we achieved an incredible amount, including with our Blueprint. It was the year we rolled out our new strategy and set ourselves some bold new goals towards which we have already made some great progress. 2022 will be even tougher as we deal with the impact of Russia's war with Ukraine, but it will be a year where we continue to build on our strong foundations and work together to play our part in creating a better world for us all. I hope you enjoy reading this report.

Hugh

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THE SCALE OF OUR BUSINESS



Our Business

Blue Skies was founded in 1997 and makes prepared fruit, freshly squeezed juice and dairy-free ice cream for retailers around the world. We believe in 'Adding Value at Source', this means we aim to make the finished product where the fruit is grown. By doing this we return more benefits to the communities that produce our fruit, and we can deliver products that are 'Fresh from Harvest'.

Our fresh-cut assortment includes mango, pineapple, pomegranate, coconut, melon and berry mixes. We also produce fresh fruit and vegetable juices and dairy-free, vegan ice-cream amongst others.



Our Operations

To provide a year-round supply of fresh from harvest fruit, Blue Skies operates a network of facilities. These include processing facilities in Ghana, Egypt, South Africa, Brazil, Benin and the UK. We also have packing facilities in Senegal and Ivory Coast and farming operations in Ghana. In total, we employee over 5,000 people at our peak and source from over 150 farms





Our Global Markets

Blue Skies supply over 200 customers in 14 countries. We are renowned for our high service levels and market leading quality which have enabled the business to grow.

SCALE OF THE ORGANISATION								
GRI Reference		Disclosure	2020	2021				
102-7	•	Total number of employees	4,243	5,352				
102-7	●	Total finished products (tonnes)	19,041	24,841				





OUR APPROACH



BUILT to LAST

Sustainability is at the heart of the Blue Skies mission which is to build together a profitable enterprise where people respect each other, care for the environment and inspire a legacy for the future. This reflects our Joint Effort Enterprise model which recognises *diversity, culture* and *profit* as the key drivers of success.



Our diversity gives us dynamism and versatility



Our culture of respect binds us towards a common goal



Profit is the oxygen that keeps us alive and enables us to grow

Sustainability Reporting Cycle

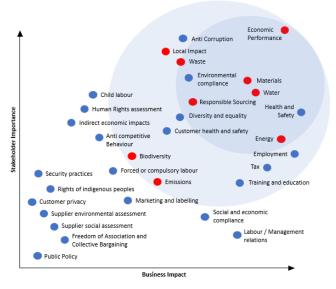
Our Measure Engage Action approach enables us to operate a cycle of continuous improvement by ensuring that we repeatedly take steps to understand our impact, evaluate our priorities and implement actions to improve. It is designed to be integrated within our day-to-day business, enabling us to constantly measure the impact of what we do and engage with our stakeholders to define and plan where we need to take actions to improve.

Identifying our Priorities

We engage all our stakeholders to identify our priorities. Our stakeholders include farmers, suppliers, logistics partners, employees, community members, customers, local government and nongovernmental organisations. We do this through platforms such as stakeholder and welfare committees, through conducting surveys, workshops and meetings (including our annual group conference) and by participating in independent research.

Stakeholder Engagement

The matrix below shows the topics that are most relevant in the top right-hand corner. The topics that have been prioritised for action are highlighted in red. We have grouped our priorities into four key focus areas which form our Blueprint Goals. They are zero emissions, zero biodiversity loss, zero waste and zero poverty







GOVERNANCE

Board of Directors



At Blue Skies, we believe sustainability should be firmly embedded within the business. For this reason, our Executive Committee is accountable to the Board for the oversight of Blue Skies policies in line with our Blueprint objectives.

Pictured on the right are our Board of Directors, Executive Committee and General Managers in 2021.

Pictured from top left to right: Anthony Pile (Chairman), Nathan Mintah (Non-Executive Director), Harriet Churchill (Non-Executive Director), John Gadzi (Non-Executive Director) Johan Fransson (Non-Executive Director), Bruce Parsons (Non-Executive Director), Hugh Pile (Chief Executive Officer), Shiv Krishnan (Chief Financial Officer), George Hutton, (Operations Director), Guy Murfitt (Procurement Director), Jenny Pile (Company Secretary), Sarah Stevenson (Non-Executive Director), Andre Veldsman (Sites), Mark Crawford (Commercial), Simon Derrick (Sustainability), Vijay Gulati (Logistics), Stephan Morris (Technical), Paul van Breukelen (European Sales), Fatahu Abdul (Ghana Branded), Ruth Adjei (West Africa), Gloria Asare (Senegal and Ivory Coast), Mohamed Bahgat (Egypt), Sabine Hill (UK), Ekramy Kamal (Egypt Juice), Janet Lutterodt (Ghana Fresh Cut), Flavia Mometti (Brazil), Eric Paintsill (Farms), Elisee Gbemetonou (Benin).



General Managers





EXTERNAL INITIATIVES





Blue Skies are audited by third-party organisations to a number of different standards. These include GlobalGAP, BRC and FSSC 22000 for food safety, SMETA and Fairtrade for social and ethical practices and LEAF for environmental practices. We also have a second-party social auditing system in Ghana and Egypt which is third-party verified.

Blue Skies have been pioneers in many of the audits we host. For example, we were the first in the world to certify farms to the LEAF group standard (option 2), and we were the first GlobalGap option 2 group to be certified in Africa.

EXTERNAL AUDITS								
Standard	Туре	Brazil	Egypt	Ghana	RSA	UK	Benin	
GlobalGAP	Food Safety	v	~	~	~	~	~	
LEAF	Environment		~	~				
Fairtrade	Social		~	~				
BRC Global Standards	Food Safety	Grade AA						
SMETA	Social	~	~	~	~	~	~	
ICS	Social						~	
FSSC22000	Food Safety		~	~				
Verification of social audit system	Social		~	~				



Membership of Associations and Initiatives

- Association of Ghana Industries (Ghana)
- Better Business Act (UK)
- Businesses in Environmental Stewardship Network (BESNet) (Ghana)
- Campden BRI (UK)
- Food Network for Ethical Trade (UK)
- Fresh Produce Impact Hub (FRESHPPACT) (UK)
- Northamptonshire Food and Drink Sector Strategy Board (FDSSB)(UK)
- Fresh Produce Consortium (UK)
- Linking Environment and Farming (UK)
- SEDEX (UK)
- Stronger Together (UK)
- Terra Carta (UK)
- UK Ghana Chamber of Commerce (Ghana)





THE BLUEPRINT GOALS







How are we doing?





Target	2020	2021	Status
100% permanent staff receiving annual development review by 2023	6%	25%	OnTrack
Social Impact Assessment Programme launched by 2022	N/A	N/A	Complete



Protecting **Human Rights**

- We have auditing systems to help us to identify and monitor human rights risks in the supply chain. We are also members of Stronger Together and FNET which seek to tackle modern day slavery and protect human rights.
- We have bodies representing staff at each of our sites, including internal stakeholder and welfare committees, and we respect the right of all our people to freely associate with the union of their choice



Ensuring Health and Safety

- We provide health care facilities. Our clinic in Ghana employs four full-time nurses and sees over 100 people a day. It also offers counselling and advice on issues such as family planning and mental health
- We promote healthy eating. In Ghana, we have setup an eightacre kitchen garden to supply our canteen with fresh vegetables and rice.



Developing our People

- We provide equal opportunities for training and development, and we also offer support to access vocational courses.
- Our 'Together We Grow' appraisal system supports the career ambitions, training needs and development of our people.
- We provide amenities designed to meet the needs of our people such as canteens, libraries, internet cafe, clinics and multiuse games areas.



Working together with Waitrose & Partners and Albert Heijn, the Blue Skies Foundation has funded over 130 projects in Ghana, Egypt, South Africa, Senegal and Brazil including the provision of schools and health care facilities.



We will benefit communities and give people the opportunity to reach their potential

INITIATIVES

Measuring our impact on people and communities

University of Northampton CSOOP

In 2022, Blue Skies and its Foundation Partners, Waitrose & Partners and Albert Heijn commissioned an independent study into its social impact in Ghana.

This study found that Blue Skies is a responsible and ethical business and a good employer and that the local economy and community as well as the employees benefit from what Blue Skies and the Foundation do.

The researchers adopted a bespoke Social Impact Matrix© methodology to assess the monetary impact of Blue Skies Ltd and the Blue Skies Foundation in Ghana against the United Nations Sustainable Development Goals (UNSDG's). Drawing on several secondary data sets relevant to the study and using data that is currently captured, the report shows a combined monetised social value generated in 2021 in Ghana of US\$11.5m.

Looking forward, the report highlights opportunities for the business to consider long term incentives and stakes in the business for employees and farmers, and for the Foundation to reflect on its scale, scope and ambition, both under a more strategic, focused and aligned strategy for capacity building, skills development and economic resilience that facilitates micro enterprises that help support employees to meet their financial obligations to their extended family.

The full report is expected to be published later in the year.

Monetising Social Impacts

The study found that in Ghana alone over a period of one year, the net weighted impact of Blue Skies and the foundation have can be broken down as follows against the UN SDGs:

m



Total weighted impact: \$11,492,422

DIRECT ECONOMIC VALUE GENERATED AND DISTRIBUTED (EVG&D) *

GRI Reference		Disclosure	2021
201-1	•	Direct economic value generated	£105,256,080.08
201-1	•	Economic value distributed	£94,085,124.70
201-4	•	Financial assistance received from the government	£320,157.15

* Figures represent factory operations and exclude Blue Skies Holdings, Packhouses and Farms and the Blue Skies Branded factory in Ghana.



We will benefit communities and give people the opportunity to reach their potential

INITIATIVES

The Blue Skies Foundation

The Blue Skies Foundation is a cooperation between Blue Skies, and two retailers, Waitrose & Partners in the UK and Albert Heijn in the Netherlands. Through this unique and progressive cooperation, the Foundation seeks to support the communities which participate in the production of fresh-cut fruit products that are made by Blue Skies.

For more information on the Foundation, visit www.blueskies.com/foundation





CASE STUDY: Providing Safe and Hygienic Bathroom Facilities for Girls

The Kpong Technical Institute trains young people in technical courses such as farming, dress making, masonry and catering. Girls made up 92 of the total 387 students yet lacked adequate bathroom facilities. The Foundation sponsored the construction of five toilets and a new bathroom facility, which provides a safe and secure environment for the girls to use. The new facilities led to increased confidence amongst the girls and the number of female students has more than doubled from 92 to 195.

Facts and Figures



Our 2021 projects included:

- New sanitation block and shower facilities for Kpong Tech Vocational Institute and a biogas toilet for Chinto School in Ghana
- Teachers Accommodation block for Tikobo school in Ghana
- Completion of a vocational training centre for Future for Disability charity in Ghana
- Water tanks for Diaspora Girls School and Adafour community in Ghana
- Computer classroom block for Notto Secondary School in Senegal
- Laptops for an Adult Education project in South Africa
- Equipment to kit out a new gym for facility staff at Blue Skies Egypt
- Borehole and effluent treatment facility for Instituto Maria Mãe do Divino Amo, a childten's charity in Brazil
- 2021 School Farm Competition in Ghana.





We will benefit communities and give people the opportunity to reach their potential

INITIATIVES

Celebrating our Diversity

On March 8th, 2022, people from across Blue Skies participated #BreakTheBias, a campaign organised as part of International Women's Day aimed at rallying support for a gender equal world that is free of bias, stereotypes, and discrimination. Staff at all our sites shared photos of themselves crossing their arms in a show of solidarity for International Women's Day.

<u>Click here</u> to download our special #BreakThe Bias report.

Diversity and Equality is right at the heart of the Blue Skies culture. We have over twenty nationalities working for Blue Skies with women represented at every level of the business, including as General Managers leading five of our sites. We provide equal opportunities for professional development, and we fund training and education where needed.



Facts and Figures

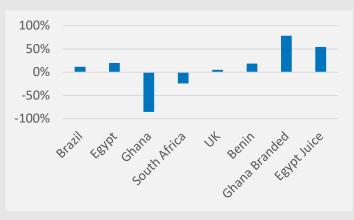


41.3%

Indicator% of female staff61.2%% of female supervisory staff38.2%

% of female management staff	

Mean Gender Pay Gap across all sites







Staff Benefits



Parenta

Health C

Sports A

Retirem Provisior

INITIATIVES

Health and Wellbeing

The health and wellbeing of our people is our top priority. Our health and safety teams carry out risk assessments and training to minimise the risk of accidents, but we also do more such as providing health care facilities and encouraging sports and fitness. And in the year of COVID-19, we have also implemented additional measures to look after the physical and mental wellbeing of our staff.

Sports and Fitness

We have sports facilities at many of our sites and we run Keep Fit Clubs Benin, Senegal and Ghana, where we have also introduced a Heart Healthy Diet and Fitness Programme. We also have sports teams in Ghana, South Africa and the UK and in Brazil we have implemented occupational gymnastics.



We provide health care facilities where clinics are not easily accessible or affordable. Our clinic in Ghana employs four full-time nurses and sees over 100 people a day. It also offers counselling and advice on issues such as family planning and mental health In Ghana, we have also setup an eight-acre kitchen garden to supply our canteen with fresh vegetables and rice. The aim is to supplement the traditionally carbohydrate-rich diet with nutritious vegetables that can be locally grown.

The table below shows

the benefits available for full-time staff at each of our sites.	menities	Care	l leave	ent
Benin			•	~
Brazil	~		~	~
Egypt	~	~	~	~
Egypt Juice		•	~	
Ghana	~	~	~	~
Ghana Branded	~	•	~	~
South Africa	~	~	~	~
UK			~	~



ZERO POVERTY DISCLOSURES

TRAINING A	TRAINING AND DEVELOPMENT					
GRI Referei	GRI Reference Disclosure		2020	2021		
404-3		Proportion of permanent receiving development reviews*	6%	25%		
404-1	•	Average hours of training per year per employee	Not included	2.3		

REGULAR EMPLOYMENT

REGULAR E						
GRI Reference		Disclosure	2020	2021		
401-1	e	Staff retention rate	97%	93%		
401-3		Number of male staff entitled to parental leave	671	921		
401-3		Number of female staff entitled to parental leave	678	1032		
401-3	e	Parental leave retention rate	91%	82%		

FAIR PAY AND RENUMERATION					
GRI Reference Disclosure				2021	
202-1	e	Ratio of entry level wage above the minimum wage (average)	47%	125%	

* 2021 figures do not include operations in Benin and Ghana Branded

How we have met each disclosure

• Fully disclosed as outlined by the GRI Sustainability Reporting Standards

• Partially disclosed and missing at least one required indicator

Not disclosed



ZERO POVERTY DISCLOSURES

LOCAL CO	LOCAL COMMUNITIES						
GRI Refe	GRI Reference Disclosure		2020	2021			
204-1	e	Proportion of expenditure on suppliers from the same country	79%	96%			
202-2	e	Proportion of managers hired from the local area	69.%	42%			
203-1	•	Amount spent on local community projects (£)	£53,000	£53,000			

HEALTH AND SAFETY

GRI Refe	rence	Disclosure	2020	2021			
403-5	e	Number of staff receiving training on health & safety	3775	3224			
403-8	e	Number of permanent staff covered by a health & safety mgt. system	100%	100%			
403-9	e	Number of work-related fatalities	0	0			
403-9	e	Number of work-related high-consequence injuries	0	0			
403-9	e	Number of work-related recordable injuries	198	267			
403-9	•	Injury rate per million hours worked	26	29			

NON-DISCRIMINATION

GRI Refe	erence	Disclosure	2020	2021
406-1	e	Total number of incidents of discrimination	0	1

How we have met each disclosure

• Fully disclosed as outlined by the GRI Sustainability Reporting Standards

• Partially disclosed and missing at least one required indicator

 $\bigcirc \quad \text{Not disclosed}$



ZERO POVERTY DISCLOSURES

EQUALITY	, DIVERS	ITY AND INCLUSION		
GRI Refe	erence	Disclosure	2020	2021
405-2	e	Mean hourly gender pay gap	-3.9%	9.8%
405-1		Number of people in governance bodies by age and gender		
		Under 30 years old	1	1
		30-50 years old	37	39
		Over 50 years old	3	8
		Male	28	33
		Female	13	15
		Indigenous	28	40
		Non-Indigenous	13	8
		Total	41	48

RESPONSIBLE SOURCING

GRI Referen	ce	Disclosure	2020	2021
308-2	•	No. of suppliers screened for environmental impacts	18	71
414-2	•	No. of suppliers screened for social impacts	49	71

* 2021 figures do not include operations in Benin and Ghana, Ghana Branded and Egypt

How we have met each disclosure

• Fully disclosed as outlined by the GRI Sustainability Reporting Standards

Partially disclosed and missing at least one required indicator
 O Not disclosed





Goal Number 2 ZERO BIODIVERSITY LOSS

We will protect natural habitats and create opportunities for nature and wildlife to thrive

How are we doing?



Target	Status
Develop biodiversity measurement framework	On Track
Introduce group Biodiversity Policy	Achieved
Launch Biodiversity Awareness Programme	Achieved

IN HARMONY WITH NATURE



Creating Natural Habitats

 We engage in tree planting programmes across many of our sites and on our farms and implement measures to promote biodiversity, such as installing bat boxes and beehives.



- We actively campaign for and promote the conservation of nature and wildlife. We have fought to prevent unlawful tree felling in Ghana and stood up against damaging land degradation.
- We have launched an annual biodiversity awareness day to raise awareness across all our sites of the importance of protecting biodiversity.



Protecting
 Wildlife

 We help farmers work to environmental standards such as LEAF (Linking Environment and Farming) which ensures sustainable farming practices while conserving and enhancing biodiversity. Blue Skies was the first company in the world to achieve LEAF in Africa. We are creating a new biodiversity measurement framework to enable the business to monitor and report the impact of our activities on biodiversity and understand how far we are meeting our goal to avoid biodiversity loss and contribute to net biodiversity gain each year.





Goal Number 2 ZERO BIODIVERSITY LOSS

We will protect natural habitats and create opportunities for nature and wildlife to thrive

Raising Awareness



INITIATIVES

Measuring our impact on Biodiversity

With the world failing to meet any of its biodiversity targets in the last decade, there is increasing urgency to reverse biodiversity loss and rewild our planet – and businesses have a crucial role to play. However, to take the necessary action, we need a basic understanding of what impact our activities have on biodiversity. We can implement measures such as nature friendly farming and conservation schemes, but we cannot demonstrate the value of these measures unless we can quantify their impact. And while there is vast knowledge and expertise and an array of tools available on biodiversity, sadly much of this is beyond the reach, comprehension and budget of the average business. Businesses need easy-to-use tools to give them a sense of their impact on biodiversity and whether their activities are contributing to biodiversity loss or gain over time.

To address this, Blue Skies is developing a Biodiversity Measurement Framework to enable businesses to calculate a biodiversity index for their operations. The framework is based on the Simpsons Index and includes a basic methodology and training scheme for surveying flora and fauna within a set environment. Results are fed into an excel based tool to calculate a biodiversity index. This is updated each season to provide an indication of trends over time.

The Framework is being developed with James Garnett-Letts, an intern student from the University or Birmingham. James is leading the pilot of the Framework which is taking place in Ghana. If successful, Blue Skies hopes to get the toolkit validated and make it available for other businesses to use.



In 2021, Blue Skies launched a remote, multi-site keep-fit programme in support of 'Tree Aid' as part of their 'Great Green Walk' initiative. This seeks to raise money for the Future Forest Appeal in partnership with the UK Government - growing trees and restoring land across Africa. Starting on the 22nd of May, in recognition of International Day for Biological Diversity, and running until the 24th of July, 500 staff in 60 departments across 12 countries walked, cycled, swam and ran over 30,000km in 8 weeks to raise awareness of biodiversity and raise over £1,000 for Tree Aid.



ZERO BIODIVERSITY LOSS DISCLOSURES

RAV	N MA	TERIALS			
GF	RI Ref	erence	Disclosure	2020	2021
304	4-3	e	Size of all habitat areas protected or restored (hectares)	50	79



* Figures do not include Blue Skies Branded

How we have met each disclosure

• Fully disclosed as outlined by the GRI Sustainability Reporting Standards

Partially disclosed and missing at least one required indicator
 O Not disclosed





We will ensure nothing is wasted and whatever is left is either reused or recycled

How are we doing?

All packaging 100% recyclable by 2025

All packaging from >30% recycled



88%

83%

system in development

91%

87%

CONSERVING OUR RESOURCES

Reducing Wat
Consumption

• We are investing in new water efficiency measures such as rainwater harvesting and highpressure washers, automatic taps and flush controls. We are also improving maintenance and repair systems to reduce leaks.

Water

• We are introducing new water recycling systems. In Benin we have pioneered revolutionary new ozone washing system and water recycling plant..



Feeding into the **Circular Economy**

- We sort our waste to ensure recyclable materials are recycled. This includes compost where inedible organic is turned back into nutrient rich soil.
- We repurpose waste for other uses. In the UK organic waste is made into animal feed and in Brazil we are working with a local NGO to repurpose waste cooking oil used in the canteen for other products such as biological soaps.

Using Sustainable Materials

• We have launched an industry **Research and Development Hub** to find solutions to plastic pollution from packaging workwear and agricultural mulch.

Target

2030

content by 2025

- 91% of our packaging is recyclable and 87% of our packaging contains at least 30% recycled content.
- 99% of the cardboard that we source is FSC or equivalent certified

To avoid waste, we use as much of our materials as possible. Our juice and ice-creams ensure we squeeze every drop of goodness out of our fresh fruit. We also send excess stock to charity and organisations such as Company Shop and the Felix Project (see page 20) in the UK, and we avoid using paper where we can and have switched to a new paperless technical





We will ensure nothing is wasted and whatever is left is either reused or recycled

INITIATIVES

Ensuring surplus fruit does good

Blue Skies partnered with the Felix Project in 2021. The Felix Project is a UK charity that collects fresh, nutritious food that cannot be sold. They deliver this surplus food to charities and schools so they can provide healthy meals and help the most vulnerable in our society.

Since Blue Skies started working with the Felix Project, we have been able to provide a range of surplus fresh fruit including pineapple, mango, papaya, coconut, pomegranate and melons.

By donating surplus fruit to the Felix Project, Blue Skies ensures that fruit does not go to waste while positively helping local charities to support vulnerable people and address food poverty.

Click <u>here</u> to find out more about the impact of The Felix Project



Facts and Figures



Total 2021/2022 donations to date:

Indicator	
Total tonnes donated	58.2
Total meals provided	139,100

"Thank you to everyone at Blues Skies for all of the help coordinating the available food for donation and generously giving. We look forward to seeing the relationship grow."

The Felix Project, Supply Coordinator, Katie Pope







We will ensure nothing is wasted and whatever is left is either reused or recycled

INITIATIVES

Working together to solve plastics pollution

In 2022, Blue Skies launched The Fresh Produce Impact Hub (FRESHPPACT), which brings together retailers, manufacturers and agribusinesses operating within food supply chains rooted in developing or emerging economies to identify shared high priority social and environmental challenges, and work with research partners to accelerate the adoption of the most promising solutions through a process of rapid evaluation, testing and adoption.

The Fresh Produce Impact Hub has been awarded a UKAid grant to launch the hub via the Sustainable Manufacturing and Pollution Programme (SMEP). The SMEP programme is funded by the UK Foreign, Commonwealth and Development Office (FCDO) and is implemented in partnership with the United Nations Conference on Trade and Development (UNCTAD). The first challenge that FRESHPPACT will seek to address is the issue of Plastics Pollution. Three Challenge Funds will be launched in 2022 to find solutions to problem plastics found in Agricultural Mulch, Workwear and Packaging. Solutions may include new technology and business models that mitigate plastic pollution through material substitution, accelerated biodegradation and improved manufacturing and remanufacturing processes.

Through FRESHPPACT, Blue Skies aims to demonstrate how greater collaboration and stakeholder engagement can help to solve industry sustainability challenges and have a tangible impact in mitigating plastic pollution that occurs throughout the value chain.

To find out more or submit a solution, go to www.freshppact.org

Our Partners

FRESHPPACT consortium members include Blue Skies, Waitrose & Partners and the Fresh Produce Consortium. The University of Northampton Centre for Sustainable Business Practices (CSBP) has been appointed as our Coordinating Research and Project Management Partner.









ZERO WASTE DISCLOSURES

WASTE				
GRI Refer	ence	Disclosure	2020	2021
306-1		Destination of discharged water	151,969	127,934
306-1		Average Discharged water quality COD (mg/l O2)	873.03	757.19
306-2		Total waste generated (tonnes)	33,906	44,989
306-2		Total waste reused or redistributed (tonnes)	8,706	14,852
306-2		Total waste recycled (tonnes)	6,486	14,957
306-2		Total waste recovered (tonnes)	5,784	261
306-2		Total waste incinerated (tonnes)	3	1
306-2		Total waste to landfill (tonnes)	12,929	15,903

WATER				
GRI Refer	ence	Disclosure	2020	2021
303-4		Ground water withdrawal (m3)	126,045	112,058
303-4		Third-party water withdrawal (m3)	97,170	116,734
303-4	•	Total water withdrawal (m3)	223,215	228,792
N/A	N/A	Water withdrawal intensity (m3/tonne)	11.7	9.2

How we have met each disclosure

• Fully disclosed as outlined by the GRI Sustainability Reporting Standards

Partially disclosed and missing at least one required indicator
 O Not disclosed



ZERO WASTE DISCLOSURES

RAW MA	TERIALS			
GRI Ref	ference	Disclosure	2020	2021
301-1	e	Total volume of raw materials purchased (tonnes)	55,561	77,491

PACKAGING MATERIALS*

FAGINAS				
GRI Re	ference	Disclosure	2020	2021
301-1	Ð	Volume of packaging material purchased (tonnes)	1,017	1,245
301-1	Ð	Proportion of packaging material from renewable source	13%	12%
301-1	Ð	Proportion of packaging material from non-renewable source	87%	88%
301-2	Ð	Proportion of packaging material from >30% recycled content	83%	87%
301-2	Ð	Proportion of packaging material from 100% recycled content **	44%	28%
301-3	e	Proportion of packaging material that is 100% recyclable	88%	91%

* These figures include materials that are procured centrally through Blue Skies Holdings and supplied to sites. At the time of writing, data from sites on locally procured materials was incomplete, therefore these figures will be incorporated in a subsequent revision of this report.

** 2020 figures for packaging containing 100% recycled content are overstated due to inaccurate third-party data.

How we have met each disclosure

• Fully disclosed as outlined by the GRI Sustainability Reporting Standards

Partially disclosed and missing at least one required indicator
O Not disclosed



Goal Number 4 NET ZERO EMISSIONS

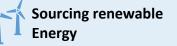
We will reduce our impact on the climate and follow a path that leads us towards net zero emissions

How are we doing?

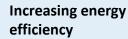
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Target	2020	2021	Status
Net zero emissions (scope 1 & 2) by 2040	16,755 Tonnes Co2e	18,247 Tonnes Co2e	Not on Track
50% energy from renewable sources by 2030	22%	12%	Not on Track

PROTECTING HE CLIMATE



- We are investing in renewable energy systems for our sites., such as in Egypt where we have installed solar panels on the roof of our factory
- We have developed a sustainable energy roadmap to guide us on how we will achieve 50% energy from renewable sources by 2030



- We have invested in scroll compressors for our refrigeration systems and capacitor banks to improve voltage regulation.
- We have pioneered 'Low Energy Ambient Factory' (LEAF) system in Benin which uses multi-layer conveyors, a rapid cooling tunnel and smart monitoring to reduce auxiliary refrigeration.
- We've installed heat recovery systems to capture heat from refrigeration to create hot water.



Improving our refrigeration

 We have committed to reducing refrigerant leakage by 50% through improved monitoring and maintenance and switching to more sustainable refrigeration systems such as glycol or CO2 based technologies. We are an official partner of the Hybrid Air Vehicles Airlander 50 Development Partner Programme. The programme provides an opportunity for us to contribute to the specification of Airlander 50 – an aircraft that will provide low-emissions air transport of the future. Click <u>here</u> to find out more.





Goal Number 4 NET ZERO EMISSIONS

We will reduce our impact on the climate and follow a path that leads us towards net zero emissions

INITIATIVES

Measuring our impact on the climate

In 2020 and 2021 Blue Skies worked with the Carbon Trust to develop a value chain emissions calculator and Net Zero modelling tool called CarbonCalc. CarbonCalc enables data to be collected to generate reports in accordance with the Greenhouse Gas Protocol for Scope 1,2 and 3 emissions.

The calculator configures bespoke dataentry templates for each reporting site and generates tables and charts to show carbon hotspots and a breakdown of emissions by scope and activity. The calculator also incorporates a Net Zero modelling tool that allows users to set targets based on activities and consumption over specified periods to show the impact on emissions over a given timeframe.



CarbonCalc has been a gamechanger for Blue Skies as it has enabled the business to identify clear opportunities for carbon mitigation in the short, medium and long term. Importantly, it has enabled the business to develop a credible 'net zero' emissions reduction strategy against a 2°C or lower global warming scenario. Our strategy includes the following ambitions:

- Source 50% of energy from renewables
- Reduce refrigerant leakage by 50% and switch to 100% low emissions refrigerants
- Achieve zero waste to landfill
- 100% recycled content in plastic trays
- 50% recycled content in plastic films

Thanks to the modelling callabilities of CarbonCalc, Blue Skies intends to submit a net zero target for approval by the Science Based Targets Initiative (SBTi) by the end of 2022.

Risk and Opportunities

The Board of Directors has oversight of climate-related risks and opportunities at Blue Skies while the Executive Committee has responsibility for identifying, assessing and managing risks and opportunities. These are identified through stakeholder engagement, regular monitoring of climate-related trends (including market and regulatory developments) and annual emissions reporting. The key risks and opportunities are summarised below:

Climate-related risks and opportunities

Short-term	Changes to weather patterns causing volatile raw-material availability
Medium-term	Increased product demand due to warmer European climate Greater administrative burden from mandatory reporting High investment cost of decarbonisation
Long-term	Potential carbon taxation in key markets High offsetting cost for carbon removals Reduced customer demand for carbon intensive products

These risks and opportunities are considered as part of our strategy development and annual budget planning process. They are also considered as part of our innovation and investment strategy.



ZERO EMISSIONS DISCLOSURES

EMISSIONS				
GRI Reference Disclosure		Disclosure	2020	2021
305-1	e	Scope 1 Emissions (Tonnes Co2e)	9,932	10,238
305-2	e	Scope 2 Emissions (Tonnes Co2e)	6,822	8,009
305-3	•	Scope 3 Emissions (Tonnes Co2e)*	144,090	247,423
305-4	•	Scope 1&2 Emissions Intensity (Co2e per Tonne)	0.78	0.75

ENERGY	ENERGY			
GRI Reference Disclosure		Disclosure	2020	2021
302-1	e	Total electricity consumption (kWh)	14,324,296	18,836,393
302-3	Ð	Electricity intensity (kWh/tonne)	752	758
302-1	e	Total fuel consumption (kWh)	589,932	591,158
302-1	e	Proportion of energy from renewable sources (%)	22%	11%

* 2020 figures are significantly lower as they did not include Employee Commuting, Capital Goods, Non-Product Related Goods and Services, Downstream Transportation and Distribution, Use of Sold Products and End of Life Treatment of Sold Products. These categories have been included in the 2021 Scope 3 data thereby increasing the total footprint considerably. Emissions data has not been third-party verified.

How we have met each disclosure

• Fully disclosed as outlined by the GRI Sustainability Reporting Standards

• Partially disclosed and missing at least one required indicator

O Not disclosed





Blue Skies 2021 Blueprint Report

#	Торіс	Commitment	Approach	External References	Internal Reference	
ZERO F	RO POVERTY					
1.01	Equality, Diversity and Inclusion	Equality, diversity and Inclusion underpin the Blue Skies culture and form two of the three strands that define our Joint Effort Enterprise model. We believe in breaking down the barriers that divide us and embracing the qualities that make us different. This creates an environment that is conducive to solving problems and coming up with the best ideas	Blue Skies promotes equality, diversity and inclusion among all our people. We provide opportunities for all our people to develop and progress within our business regardless of religious belief, age, colour, race, creed, marital status, gender, sexual orientation, political affiliation, ethnic origin, family status or disability. Selection criteria and procedures ensure that employees are selected, promoted, and treated on the basis of the necessary skills and experience.	 UN Universal Declaration of Human Rights (Articles 7, 18, 19) GRI 405 SDG5, SDG10 	 15336 Human Rights Policy 15399 Mutual Respect and Trust Policy 15314 Policy on People Living with Disabilities Blue Skies Handbook 	
1.02	Freedom of Association and Collective Bargaining	Blue Skies supports freedom of association and collective bargaining where it is necessary to ensure the fair and equitable treatment of all our people.	Staff are free to join associations of their own choosing and Blue Skies does not interfere with staff who wish to lawfully and peacefully associate, organise or bargain collectively. We have different bodies representing staff across our sites. These include internal stakeholder groups, welfare committees and unions. The decision to organise or join these bodies is made solely by our staff and supported by the business.	 Global Compact (Principle 3) UN Universal Declaration of Human Rights (Articles 20, 23) GRI 407 SDG8 	 15313 Freedom of Association Policy Collective Bargaining Agreement 	
1.03	Preventing Forced Labour and Trafficking	Blue Skies is committed to ensure that there is no forced labour, slavery or human trafficking in our business or supply chain and that everyone is treated with fairness, dignity and respect.	We take steps to ensure fair and equitable treatment of everyone involved in our business. Our training and reporting systems ensure we are able to identify, assess and mitigate the risk of slavery and human tracking within our supply chain and take the appropriate action where it is necessary.	 Global Compact (Principle 4) UN Universal Declaration of Human Rights (Articles 4, 5, 23) GRI 409 SDG8 	 15325 Forced Labour Policy Modern Day Slavery Statement 	



Blue Skies 2021 Blueprint Report

#	Торіс	Commitment	Approach	External References	Internal Reference
1.04	Preventing Child Labour	Blue Skies is against all forms of exploitation of children, and we are committed to ensuring that there is no illegal or harmful child labour in our business and within our supply chain	Blue Skies prohibits child labour as defined by the International Labour Organization (ILO) minimum age and the worst forms of child labour conventions. Children below the age of 18 are not employed at our factories and we monitor our tier 1 suppliers to ensure compliance with the relevant legislation and labour standards	 Global Compact (Principle 5) UN Universal Declaration of Human Rights (Articles 20 and 23) GRI 407 SDG8 	 15336 Human Rights Policy 15309 Young Persons Policy
1.05	Non- Discrimination	Blue Skies is committed to protecting our staff against unfair or prejudicial treatment of people and groups on the basis of age, sex, sexual orientation, race, disability, family, marital or employment status, political opinion, religion, and ethnic origin	Blue Skies does not tolerate discrimination or harassment at work. Our grievance policies and confidential disclosure procedures ensure that incidents of discrimination and harassment can be reported and acted upon appropriately in line with our disciplinary policies. Where appropriate, we conduct training to ensure staff understand our expectations on equality, diversity and inclusion and non-discrimination.	 Global Compact (Principle 6) UN Universal Declaration of Human Rights (Articles 7, 18 and 19) GRI 406 SDG5, SDG10 	 15308 Sexual Discrimination Policy 15399 Mutual Respect and Trust Policy 15301 Recruitment Policy Blue Skies Handbook
1.06	Regular Employment	Blue Skies is committed to providing regular employment within all the communities where we operate and offering the best possible place to work where all our staff feel equally valued and respected and able to reach their full potential	We aim to grow our business so that we can provide more opportunities for regular employment and meaningful work within the communities where we operate. We operate a culture based on fairness, trust and respect and provide everyone with opportunity to develop and grow through fair pay and remuneration, training and development and protection of human rights.	 UN Universal Declaration of Human Rights (Article 23) GRI 401 SDG8 	 15301 Recruitment Policy Daily Casual Labour Policy Blue Skies Handbook



#	Торіс	Commitment	Approach	External References	Internal Reference
1.07	Fair Pay and Remuneration	Blue Skies is committed to ensuring all our staff are compensated fairly for the work that they do for the company and that everyone earns enough to meet the basic cost of living.	We pay above the minimum wage at each of our sites and we regularly engage with staff to ensure that the salaries we pay can at least meet the basic cost of living. We also provide amenities and benefits to support the welfare of our staff. This includes help with transport to and from work, subsidised meals and access to healthcare. Our approach to training and development and collective bargaining provides additional means for the business to ensure that it is paying fairly.	 UN Universal Declaration of Human Rights (Articles 23 and 24) GRI 202 SDG8 	 15327 Remuneration and Benefits Policy 15323 Leave Policy 15316 Absence Policy 15343 Working Hours Policy Blue Skies Handbook
1.08	Training and Development	Blue Skies is committed to enabling all our staff to reach their potential through the development of self-confidence and the attainment of knowledge, skills and experience.	We provide opportunities for training across all our operations. We have our own programmes for technical, wellbeing and health and safety and management training, and we offer support for staff to undertake a variety of vocational courses, workplace learning and mentoring schemes. Additionally, our 'Together We Grow' appraisal system provides a framework within which staff are supported to achieve mutually agreed goals on performance, career ambitions, training needs and professional development.	 UN Universal Declaration of Human Rights (Article 26) GRI 404 SDG5, SDG8 	 15302 Education, Training and Development Policy Blue Skies Handbook
1.09	Local Communities	Blue Skies is committed to ensuring we have a positive impact on the local economy and engaging with communities to understand local needs and provide support where it is within our means	We respect our local communities. Where necessary, we evaluate the impact that our business has on communities, and we work with our Foundation to provide support where it is needed most.	 UN Universal Declaration of Human Rights (Article 25) GRI 413 SDG1, SDG3, SDG4, SDG6, SDG11 	 Blue Skies Foundation Handbook



#	Торіс	Commitment	Approach	External References	Internal Reference
1.10	Health and Safety	Blue Skies is committed to ensuring the health, safety and wellbeing of all the people who work in our business and visit our operations	We take the utmost care to look after each other. We have a system to manage occupational health and safety risks at all our manufacturing sites and we run voluntary programmes to enhance the wellbeing of our people.	 UN Universal Declaration of Human Rights (Article 25) GRI 403 SDG3 	 15323 Leave Policy 15341 HIV and Hepatitis B Policy 16301 Health and Safety Policy
1.11	Anti Corruption	We are committed to always act with honesty and integrity in the way that we deal with all our stakeholders and the relationships that we have with them. We do not tolerate bribery or corruption at any level within our business and our supply chain.	We have a fraud policy at each of our sites on which our staff receive regular training. We also implement internal audit controls and ensure that any incidents of bribery and corruption are addressed appropriately through our disciplinary procedures.	 UN Universal Declaration of Human Rights (Article 10) GRI 205 SDG16 	• 15321 Fraud Policy
1.12	Procurement Practices	We are committed to always buy with integrity, fairness and professionalism, and to source as much as possible from local suppliers that work to high social and environmental standards.	We treat our suppliers with the utmost respect. Where we can, we source from local suppliers and check to ensure they work to high social and environmental standards. We pay all our suppliers within 30 days	 Global Compact (Principle 2) GRI 204 SDG12 	• 15400 Procurement Policy
ZERO B	BIODIVERSITY LOSS				
2.01	Biodiversity	We are committed to minimising the impact that our business and supply chain have on biodiversity, ensuring as far possible that nature and wildlife can thrive.	We conserve trees and wildlife and take a firm stand against needless attempts to destroy them. Where we can we promote biodiversity such as by planting trees and creating watercourses.	 Global Compact (Principle7-9) GRI 304 SDG2,SDG14, SDG15 	 16320 Environmental Policy



#	Торіс	Commitment	Approach	External References	Internal Reference
ZERO V	VASTE				
3.01	Waste	We are committed to reducing waste and ensuring that as much of it as possible is either reused, repurposed or recycled	We do not waste our resources. Any materials that we cannot use in our products are sorted so that they can be reused, repurposed or recycled. We only use landfill as a last resort.	 Global Compact (Principle7-9) GRI 306 SDG2,SDG12 	 16320 Environmental Policy
3.02	Water	We are committed to using as little water as possible and ensuring that as much of it as possible comes from a sustainable source.	We use water sparingly. We only use the water we need, and we take extra care to ensure taps are turned off when they are not in use and leaks are repaired as soon as possible. Where possible, we always seek to recycle the water we use	 Global Compact (Principle7-9) GRI 303 SDG2,SDG12 	 16320 Environmental Policy
3.03	Materials	We are committed to minimising the environmental impact of all our materials, in terms of how they are sourced, used and discarded.	We choose the materials we use wisely. We take care to only use materials for which-we know the origin, and which have a minimal impact on people and the environment.	 Global Compact (Principle7 and 9) GRI 301 SDG12 	 16320 Environmental Policy
ZERO E	MISSIONS				
4.01	Emissions	We are committed to minimizing the emissions produced in the way we grow, manufacture and distribute our products	We monitor and report our carbon footprint and seek to reduce our emissions as far as possible. We aim to achieve net zero emissions in scopes 1 and 2 by 2040 and scope 3 by 2050.	 Global Compact (Principle7 and 9) GRI 305 SDG13 	 16320 Environmental Policy
4.02	Energy	We are committed to using as little energy as possible and ensuring that as much of it as possible comes from a renewable source.	We use energy sparingly. We only use the energy we need, and we take extra care to ensure equipment is turned off when it is not in use. Where possible, we always seek to use energy from renewable sources.	 Global Compact (Principle7 and 9) GRI 302 SDG7 	 16320 Environmental Policy



GRI CONTENT INDEX



GLOBAL REPORTING INITIATIVE (GRI)

ORGANISA	ORGANISATIONAL PROFILE			
GRI Refer	ence	Disclosure	Response	
102-1		Name of the organization	Blue Skies Holdings Ltd	
102-2	\bullet	Activities, brands, products, and services	Page 3	
102-3	\bullet	Location of headquarters	Spring Hill Farm, Pitsford, Northamptonshire, UK NN6 9AA	
102-4		Location of operations	Page 3	
102-5		Ownership and legal form	Limited Company	
102-6		Markets served	Page 3	
102-7	e	Scale of the organization	Page 3	
102-8		Information on employees and other workers	Page 3	
102-9	e	Supply chain	Page 3	
102-10		Significant changes to the organization and its supply chain	None	
102-11		Precautionary Principle or approach	Page 4	
102-12		External initiatives	Page 6	
102-13	•	Membership of associations	Page 6	

How we have met each disclosure

• Fully disclosed as outlined by the GRI Sustainability Reporting Standards

• Partially disclosed and missing at least one required indicator

O Not disclosed



GLOBAL REPORTING INITIATIVE (GRI)

REPORTING PRACTICE			
GRI Refer	ence	Disclosure	Response
102-45		Entities included in the consolidated financial statements	This information is provided in the 2021 audited accounts
102-46	Θ	Defining report content and topic boundaries	Page 4
102-47		List of material topics	Page 4
102-48		Restatements of information	None
102-49		Changes in reporting	Reporting sites now include Benin, Ghana Branded and Egypt Juice.
102-50		Reporting period	January 2021 to December 2021
102-51		Date of most recent report	2020 Report
102-52		Reporting cycle	Annual
102-53		Contact point for questions regarding the report	Simon Derrick, Head of Sustainability
102-54		Claims of reporting in accordance with the GRI Standards	This report has been prepared in accordance with the GRI Standards: Core option
102-55	•	GRI content index	Page 32.
102-56	e	External assurance	The information provided in this report has not been verified by a third-party

How we have met each disclosure

• Fully disclosed as outlined by the GRI Sustainability Reporting Standards

• Partially disclosed and missing at least one required indicator

○ Not disclosed



GLOBAL REPORTING INITIATIVE (GRI)

STRATEGY						
GRI Reference		Disclosure	Response			
102-14	•	Statement from senior decision-maker	Page 2			
102-15	e	Key impacts, risks, and opportunities	Page 2			

ETHICS AND INTEGRITY

GRI Reference		Disclosure	Response		
102-16		Values, principles, standards, and norms of behaviour	Page 4		

STAKEHOLDER ENGAGEMENT					
GRI Reference		Disclosure	Response		
102-40	e	List of stakeholder groups	Page 4		
102-42	lacksquare	Identifying and selecting stakeholders	Page 4		
102-43	e	Approach to stakeholder engagement	Page 4		
102-44	Ð	Key topics and concerns raised	Page 4		

How we have met each disclosure

• Fully disclosed as outlined by the GRI Sustainability Reporting Standards

• Partially disclosed and missing at least one required indicator C

Not disclosed



TCFD REPORT



TASK FORCE FOR CLIMATE RELATED FINANCIAL DISCLOSURES (TCFD)

Pillar / Recommendation	Response				
Governance: Disclose the organisation's governance around climate-related risks and opportunities					
Describe the board's oversight of climate-related risks and opportunities	The Board of Directors has oversight of climate-related risks and opportunities at Blue Skies and delegates responsibility for identifying, assessing and managing risks and opportunities to the Executive Committee.				
Describe management's role in assessing and managing climate related risks and opportunities					
Strategy: Disclose the actual and potential impacts of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning where such information is material					
	Short-term	Changes weather patterns causing volatility in raw-material availability			
Describe the climate-related risks and opportunities the organization has identified over the short, medium, and long term	Medium-term	 Volatility in product demand due to changes in European climate Greater administrative burden from mandatory reporting High investment cost of decarbonisation Higher distribution costs 			
	Long-term	 Potential carbon taxation in key markets High offsetting cost for carbon removals Reduced customer demand for carbon intensive products Reduced availability of route-to-market 			
Describe the impact of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning		Climate-related risks and opportunities may have an impact on production planning, distribution channels and commercial strategy.			
Describe the resilience of the organization's strategy, taking into consideration different climate- related scenarios, including a 2°C or lower scenario	Our strategy outlines a commitment to diversify into new products and markets, develop new raw material sources and reduce its reliance on airfreight to strengthen its resilience to climate change.				
Describe how risks and opportunities are factored into relevant products or investment strategies and describe related transition impact	Climate-related risks and opportunities are considered as part of our strategy development and annual budget planning process. They are also considered as part of our innovation and investment plans.				
Risk Management: Disclose how the organization identifies, assesses, and manages climate-related risks					
Describe the organization's processes for identifying and assessing climate-related risk	Climate related risks and opportunities are identified and assessed through stakeholder engagemen				
Describe the organization's processes for managing climate-related risks		regular monitoring of climate-related trends (including market and regulatory developments) and annual emissions reporting. Climate related risks and opportunities are managed through existing			
Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organization's overall risk management	management structures with functional heads assuming accountability for goals and targets that are agreed by the business.				



TASK FORCE FOR CLIMATE RELATED FINANCIAL DISCLOSURES (TCFD)

Pillar / Recommendation	Response				
Metrics & Targets: Disclose the metrics and targets used to assess and manage relevant climate-related risks and opportunities where such information is material					
Disclose the metrics used by the organization to assess climate related risks and opportunities in line with its strategy and risk management process	Metrics include raw material availability, rainfall patterns, market t costs, climate related tax and carbon offsetting costs				
	Scope 1 Emissions (Tonnes Co2e)	10,238			
Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks	Scope 2 Emissions (Tonnes Co2e)	8,009			
	Scope 3 Emissions (Tonnes Co2e)	249,375			
Describe the targets used by the organization to manage climate related risks and opportunities and performance against targets	We have committed to a target of Net Zero Emissions by 2050 (Net Zero Scope 1-2 by 2040)				





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