



Our Blue Skies. Our Future.



2022 Sustainability Update

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This report covers the relevant and significant social, ethical and environmental issues for the period 1 January 2022 to 31 December 2022

It aims to provide our stakeholders with an overview of our performance in these areas. For more information, contact Simon Derrick, our Head of Sustainability: [simon.derrick@blueskies.com](mailto:simon.derrick@blueskies.com)

## A message from our CEO

Welcome to our 2022 Blueprint Update. For my introduction this year, I am going to borrow the words of what we call our Blueprint 'oath'. It reads as follows: "At Blue Skies, we believe that life gives flavour to fruit. And for there to be life, we need nutrient-rich soil and water, a healthy climate and thriving natural habitats. At Blue Skies, we promise to live within our means, to protect our climate and take care of the ecosystems that provide balance and stability to our natural environment. And we promise to look after each other, ensuring that people can live fulfilling lives in harmony with nature, and that we always seek to help those who are most in need".

I do not think I need to say much more than this. The Blueprint oath encapsulates why we believe we must do the right thing; it is why we operate our business in the way that we do and the reason why we have a sustainability plan, which we call 'Our Blueprint'. This short update provides an overview of the progress we have made on our Blueprint in 2022 and a flavour of some of the exciting things we are hoping to do in the future. We hope you enjoy it.

*Hugh Pile*







## 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.

## Operations and Key Markets

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 employ over 5,000 people at our peak and source from over 150 farms.

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	2022
102-7	●	Total number of employees	4,243	5,352	5,984
102-7	●	Total finished products (tonnes)	19,041	24,841	26,322

## 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



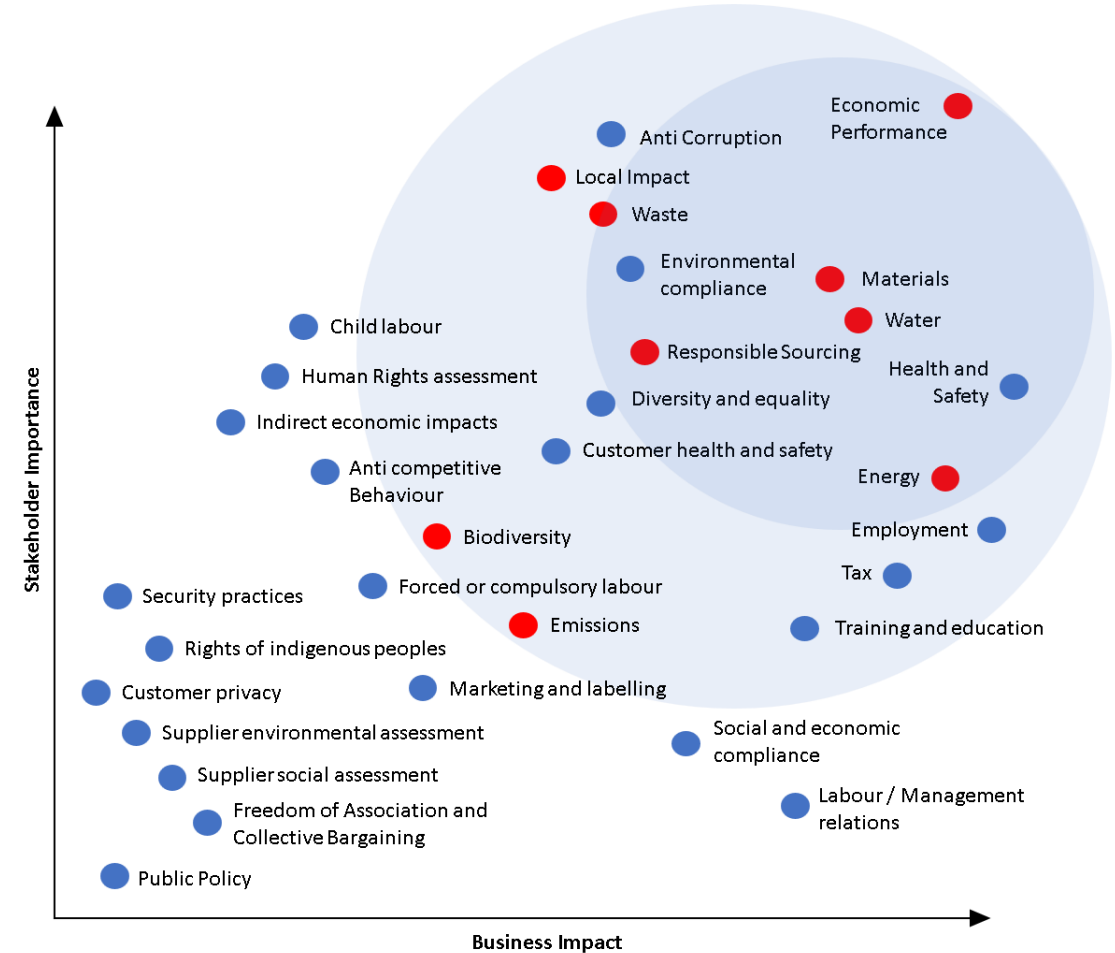
Profit is the oxygen that keeps us alive and enables us to grow

### Measure. Engage. Action.

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.

### 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 non-governmental 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. The matrix on the right 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.





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 supply-chain 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	Type	Brazil	Egypt	Ghana	RSA	UK	Benin
GlobalGAP	Food Safety	✓	✓	✓	✓	✓	✓
LEAF	Environment		✓	✓			
Fairtrade	Social		✓	✓			
BRC Global Standards	Food Safety	Grade AA	Grade AA	Grade AA	Grade AA	Grade AA	Grade AA
SMETA	Social	✓	✓	✓	✓	✓	✓
ICS	Social						✓
FSSC22000	Food Safety		✓	✓			
Verification of social audit system	Social		✓	✓			



# OUR BLUEPRINT GOALS



## ZERO POVERTY

Thriving Communities

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

How we will get there



Protecting Human Rights



Promoting health and wellbeing



Developing our people



Supporting communities



## ZERO BIODIVERSITY LOSS

In Harmony with Nature

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

How we will get there



Raising Awareness



Nature friendly farming



Creating natural habitats



Preventing deforestation



## ZERO WASTE

Conserving our Resources

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

How we will get there



Eliminating waste



Reducing water consumption



Feeding into the circular economy



Using sustainable materials



## NET ZERO EMISSIONS

Protecting the Climate

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

How we will get there



Sourcing renewable energy



Increasing energy efficiency



Upgrading our refrigeration



Working with suppliers and partners

2022 Update







## Goal Number 1 ZERO POVERTY



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



### Protecting Human Rights

- 99% of our staff work at sites which are covered by third-party social audits.
- We implemented a new whistleblowing system to provide an additional channel for staff to report grievances.
- We are extending our second-party social auditing system to our supply chain in Benin
- We have staff representative bodies in place at our sites and we provide external training where needed.



### Promoting Health and Wellbeing

- We provide health care facilities such as our clinic in Ghana which offers treatment, counselling and advice for staff and their families.
- We have kitchens gardens which grow fresh vegetables for our canteen and promote healthy eating among staff.
- We have introduced wellbeing apps to provide support on issues including mental health and dental care and we are introducing rolling wellbeing programmes across all our sites.



### Providing Meaningful Work

- We have rolled out a global training drive including a staff leadership programme.
- Our 'Together We Grow' staff development programme has seen significant take up across the business.
- We provide amenities designed to meet the needs of our people such as canteens, libraries, internet cafes, clinics, multi-use games areas.
- We celebrate cultural events and festivals at each of our sites.



### Supporting our local communities

- Working together with Waitrose & Partners and Albert Heijn, the Blue Skies Foundation has funded over 150 projects in Ghana, Egypt, South Africa, Senegal and Brazil including the provision of schools and health care facilities.
- Our School Farm Competition has benefited over 30,000 students since 2015 by teaching skills in agricultural and entrepreneurship and awarding winning schools with educational resources and IT equipment.



### How are we doing?

Target	2020	2021	2022	Status
100% permanent staff receiving annual development review by 2023	6%	25%	55%	OnTrack
Social Impact Assessment Programme launched by 2022	N/A	N/A	N/A	Complete



# Goal Number 1 ZERO POVERTY



## INITIATIVES

## Supporting our Local Communities

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, and to download the latest annual report visit [www.blueskies.com/foundation](http://www.blueskies.com/foundation)

2,132

The number of children (age 0-18) with improved access to education as a result of our 2022 projects



2022 Update



## Our 2022 Foundation Projects

### Project Details

<b>Ofaso Water Project</b>	Drilling of a borehole and the procurement and installation of a 20,000-litre water tank for a rural community in Ghana.	Ghana
<b>Techiman Teachers Accommodation.</b>	Completion of a 16-bedroom accommodation block for teachers at a Basic School in Ghana.	Ghana
<b>School Farm of the Year Competition.</b>	The seventh year of our competition to reinvigorate interest in agriculture among young people in Ghana	Ghana
<b>Toilet Project CEM School.</b>	8-seater biogas toilet with a water collection system and water tank for hand washing for the CEM school in Daga, Senega	Senegal
<b>Balfour Primary School Edutainer.</b>	Procurement and installation of a single classroom 'educontainer' (converted shipping container) for a preschool in South Africa.	South Africa
<b>Siyathemba School renovation.</b>	Painting and repair of 14 classrooms at a primary school in Siyathemba in South Africa.	South Africa
<b>Fotobi Biofil Toilet.</b>	This project provided 12 biogas toilets and water collection system for handwashing for the Fotobi community in Ghana.	Ghana
<b>Water Tank for Anyakope.</b>	Procurement and installation of a 30,000-litre water tank for a community of about 1200 People in the Volta Region of Ghana.	Ghana
<b>Mechanised Borehole for Pokrom</b>	Drilling, procurement and installation of 2 5,000 litre water tanks for the Pokrom Community in Ghana.	Ghana
<b>Arvore Da Vida.</b>	Improvement of infrastructure and safety measures for an education centre that provides support for 160 vulnerable children.	Brazil
<b>El-Rashad Emergency Room Project.</b>	Provision of medical equipment for the emergency room at a local community hospital in Egypt.	Egypt







# Goal Number 1 ZERO POVERTY



## INITIATIVES

### Encouraging our Future Farmers

The School Farm Competition was launched in 2015 by the Blue Skies Foundation to encourage more young people to consider farming as a career. The competition enables schools to engage students in establishing and running a school farm and compete against other schools for the prestigious title of school farm of the year. Prizes including computers and laptops are awarded to teachers and students during an awards ceremony which takes place at the end of the year. Awards are presented in several categories to recognise achievements including entrepreneurship and environmental stewardship. Since 2021, the competition has been run with additional support from the Mastercard Foundation and the Kosmos Innovation Center.



**KOSMOS  
INNOVATION  
CENTER**



The 2022 School Farm of the Year Award was given to Kwahu Tafo Senior High School. Representatives from Kosmos, Ghana Education Service, Parliament of Ghana and Mr. Davies Narh Korboe, the President of the National Best Farmers and Fishermen Association of Ghana attended the awards to encourage more young people to consider career in the agriculture sector.



#### Impact to date

- 100+ schools and 3,000 students participate each year
- Winning schools have received IT equipment including computers and laptops
- The competition has raised the profile of agriculture with many young people opting to study agriculture in further education or pursue careers in agri-business
- Revenue generated from selling crops has helped schools to fund school improvements
- We have created a toolkit to enable other organisations to setup their own School Farm



## 2022 Update





# Goal Number 1 ZERO POVERTY

## INITIATIVES

### Promoting Health and Wellbeing

The health and wellbeing of our people is our number one priority. All our sites have health and safety management systems, but we also take a special interest in supporting the wellbeing of our staff.

In 2022, we began to implement reporting systems to assess leading indicators which can help address health and safety outcomes. This is guiding us in the development of health and wellbeing initiatives, such as the appointment of an ergonomics specialist in Egypt to address muscular strains, and the introduction of occupational gymnastics in Brazil.

We also encourage sports and fitness at each of our sites. We have sports facilities in Ghana and South Africa, a gym at our factory in Egypt and we have arranged gym sessions for our staff in Brazil. We also run keep-fit clubs at many of our sites including Ghana, Senegal and Benin.



#### Facts and Figures

The table below shows the benefits available for full-time staff at each of our sites.

	Sports Amenities	Health Care	Parental leave	Retirement Provision
Benin			✓	✓
Brazil	✓		✓	✓
Egypt	✓	✓	✓	✓
Ghana	✓	✓	✓	✓
Ghana Branded	✓	✓	✓	✓
South Africa	✓	✓	✓	✓
UK			✓	✓

#### The Great Green Games

In May 2022, staff across 40 departments in 11 sites participated in our annual Great Green Games to walk, run, cycle and swim 30,000 km in 8 weeks in support of TreeAid and to raise awareness of the importance of biodiversity.







# Goal Number 1 ZERO POVERTY

## INITIATIVES

## Embracing Diversity and Equality

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.

Our approach to diversity and equality stems from our culture of respect and what we call our 'seamless society'. The notion of a seamless society is simple. It is one where there is no social hierarchy that distinguishes between the different roles and responsibilities that exist within the organisation. At Blue Skies, everyone is treated with the same level of respect and given equal opportunity to thrive. In practice, this means avoiding symbols, titles or privileges that might imply social status, and encouraging everyone to eat, work and socialise together.

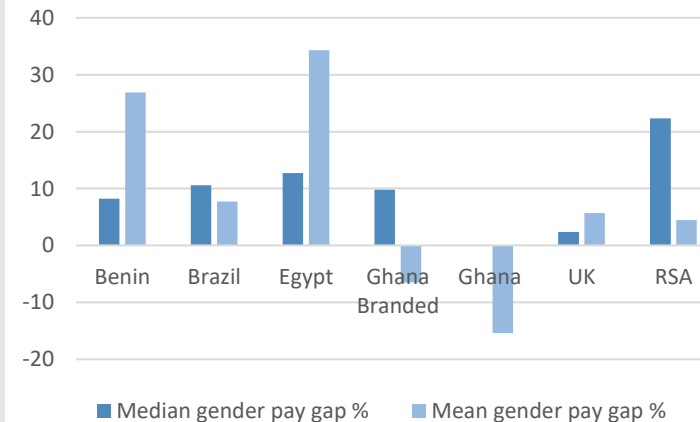


## Facts and Figures

Indicator	2021	2022
% of female staff	64%	62%
% of female senior management staff	28%	39%

The graph below shows Mean and Median Gender Pay Gap across sites for permanent staff. This has been calculated using the UK Government guidance for gender pay gap reporting. We have a high gender pay gap at some sites because we have a higher proportion of women working in entry-level positions in production.

### Mean and Median Gender Pay Gap



### What is the difference between the median and mean figures?

The median pay gap is the difference between the midpoints of hourly pay of all men and women. The mean gender pay gap is the difference in average hourly pay between men and women. In both instances, we aim to achieve the lowest possible pay gap.





# Goal Number 1 ZERO POVERTY

## INITIATIVES

### Working closely with our suppliers

Blue Skies has been able to deliver the best quality fresh-from-harvest fruits, because of our close proximity to farmers.

Our procurement and agronomy teams work closely with our growers to provide support where it is needed to help overcome technical and commercial barriers in order to access international and local markets, such as by providing training and access to finance through soft loans and covering the costs of certification to standards such as GlobalGAP, LEAF and Fairtrade. We also take a lead role in helping farmers to counter threats such as anthracnose, fruit fly and bacterial blackspot.

Where possible, we always seek to support suppliers located near to our facilities, whether that be in Europe or at any of our subsidiaries in Africa and South America. This naturally applies to our farmers, but also extends to our suppliers of materials such as packaging, and services.



#### Second Party Auditing

Blue Skies have pioneered a second-party ethical auditing system for our fruit suppliers which seeks to actively recognise and encourage progress and identify the root causes of challenges, rather than merely ensuring compliance.

#### Supplier Screening

Category	Alignment
Enabling Equality, Diversity and Inclusion	87%
Ensuring Freedom of Association	74%
Preventing forced labour and trafficking	89%
Preventing child labour	92%
Preventing discrimination	89%
Providing regular employment	83%
Providing Fair pay and remuneration	86%
Opportunities for training and development	89%
Supporting local communities	72%
Ensuring health and safety at work	95%
Preventing bribery, fraud and corruption	84%
Protecting biodiversity	66%
Reducing Greenhouse Gas Emissions	50%
Using sustainable materials	75%
Conserving energy	66%
Reducing waste	88%
Conserving water	68%



To support our ongoing due-diligence and sustainable sourcing strategy, Blue Skies conducts an annual survey with its tier 1 suppliers on a range of social, environmental and governance issues. The aim of the survey is to help us raise awareness of our values and expectations when it comes to sustainability and ascertain how far our suppliers are in alignment with our objectives.

The table on the left shows what proportion of our suppliers have policies or initiatives covering each of the listed topics. The results will help us to understand where we may need to do more to support suppliers in certain areas in order to achieve our Blueprint goals.



# Goal Number 1 ZERO POVERTY

## INITIATIVES

## Understanding our Social Impact

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

The study was conducted by the University of Northampton Centre for Sustainable Business Practices and the Institute for Social Innovation and Impact. It 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.



### Key Findings

- The Blue Skies culture is a key driver staff job satisfaction and loyalty
- Blue Skies has a wide range of programmes and resources aimed at assisting staff, their families, and communities in dealing with important health and safety issues.
- The Social Protection Package per employee (equivalent to 28.6% of gross income) is a healthy add-on to salaries.
- Staff report being treated well regardless of gender and religion
- Blue Skies offers on-the-job training, vocational training, and outright sponsorship of talent education, demonstrating remarkable commitment to developing and improving the lives of staff.



### Monetised Social Impact

The report adopted a bespoke Social Impact Matrix© methodology to assess the monetary impact of Blue Skies in Ghana against the United Nations Sustainable Development Goals and showed a combined monetised social value generated in 2021 in Ghana of US\$11.5m.



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

GRI Reference		Disclosure	2021	2022
201-1	●	Direct economic value generated	£105,256,080.08	£121,391,058.65
201-1	●	Economic value distributed	£94,085,124.70	£95,412,769.23
201-4	●	Financial assistance received from the government	£320,157.15	£917455.9782

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## ZERO POVERTY DISCLOSURES

## TRAINING AND DEVELOPMENT

GRI Reference		Disclosure	2020	2021	2022
404-3	●	Proportion of permanent staff receiving development reviews	6%	25%	55%
404-1	●	Average hours of training per year per employee	Not recorded	2.3	1.5

## REGULAR EMPLOYMENT

GRI Reference		Disclosure	2020	2021	2022
401-1	●	Staff retention rate	97%	93%	98%

## FAIR PAY AND RENUMERATION

GRI Reference		Disclosure	2020	2021	2022
202-1	●	Ratio of entry level wage above the minimum wage (average)	47%	125%	166%

## ETHICAL BEHAVIOUR

GRI Reference		Disclosure	2020	2021	2022
205-2	●	Percentage of governance body members who have received training on the organization's anti-corruption policies and procedures	Not Reported	98%	100%

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 COMMUNITIES

GRI Reference		Disclosure	2020	2021	2022
204-1	●	Proportion of locally processed fruit (based on volume)	Not Reported	44%	59%
204-1	●	Proportion of regionally processed fruit (based on volume)	Not Reported	61%	64%
202-2	●	Proportion of managers hired from the local area	69.%	82%	82%
203-1	●	Amount spent on local community projects through the Blue Skies Foundation (£)	£53,000	£53,000	£53,000

## HEALTH AND SAFETY

GRI Reference		Disclosure	2020	2021	2022
403-5	●	Number of staff receiving training on health & safety	78%	54%	98%
403-8	●	Number of permanent staff covered by a health & safety mgt. system	100%	100%	100%
403-9	●	Number of work-related fatalities	0	0	0
403-9	●	Number of work-related high-consequence injuries	0	0	2
403-9	●	Number of work-related recordable injuries	198	267	257
403-9	●	Injury rate per million hours worked	26	29	27

## NON-DISCRIMINATION

GRI Reference		Disclosure	2020	2021	2022
406-1	●	Total reported of incidents of discrimination	0	1	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

○ Not disclosed

2022 Update

## ZERO POVERTY DISCLOSURES

## EQUALITY, DIVERSITY AND INCLUSION

GRI Reference		Disclosure	2020	2021	2022
405-2	●	Mean hourly gender pay gap (Group average)	-3.9%*	9.8%	8.2%
405-2	●	Median hourly gender pay gap (Group average)	Not Reported	Not Reported	9.4%
405-1	●	Number of people in governance bodies by age and gender			
		Under 30 years old	1	1	1
		30-50 years old	37	39	46
		Over 50 years old	3	8	7
		Male	28	33	37
		Female	13	15	17
		Indigenous	28	40	47
		Non-Indigenous	13	8	7
		Total	41	48	54

## RESPONSIBLE SOURCING

GRI Reference		Disclosure	2020	2021	2022
308-2	●	No. of suppliers screened for environmental impacts	18	71	76
414-2	●	No. of suppliers screened for social impacts	49	71	76

\* 2020 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

○ Not disclosed

2022 Update



Goal Number 2

## ZERO BIODIVERSITY LOSS

IN HARMONY WITH NATURE

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



### Raising Awareness

- We run programmes across our business to raise awareness of biodiversity. This includes our annual Great Green Walk where we collectively walk, run, cycle or swim 30,000 kilometres in 8 weeks to raise funds for tree aid.
- We are creating a new biodiversity measurement framework to enable the business to monitor and report the impact of our activities on biodiversity.



### Promoting nature friendly farming

- 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.



### 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.



### Preventing Deforestation

- We aim to ensure all the paper and board we buy is FSC or equivalent certified.
- We 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.



### How are we doing?

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

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Goal Number 2

## ZERO BIODIVERSITY LOSS

### CASE STUDY

# Measuring impacts on Biodiversity

In 2022, Blue Skies piloted a Biodiversity Measurement Framework to enable the business to calculate a biodiversity index for our operations and assess how far we are contributing to net biodiversity loss or gain. The framework was developed with James Garnett-Letts from the University of Birmingham, who worked with Blue Skies as part of an industrial placement programme.

It is based on the Simpsons Index and includes a basic methodology and training scheme for surveying flora and fauna within a set environment, as well as an excel based tool for calculating a biodiversity index. Initial results of the pilot have helped us to understand differing biodiversity levels between different farm and factory locations and consider the different measures that can be taken to encourage increased levels of biodiversity.



Pictured: James Garnett Letts with the team in Ghana conducting a biodiversity survey on a pineapple farm.

## Promoting Nature Friendly Farming with LEAF

Blue Skies was the first company in the world to achieve LEAF marque accreditation for a group of farmers. LEAF is a charity which is committed to encouraging viable agriculture which is environmentally and socially acceptable and ensures the continuity of supply of wholesome, affordable food, while conserving and enhancing the fabric and wildlife of the countryside for future generations.

Our Fruit Technologist, Joe Revell, is a member of the LEAF Marque Technical Advisory Committee which oversees the ongoing development of the LEAF Marque Standard globally. We recently renewed LEAF accreditation for our farms in Ghana and will soon be doing the same for our farmers in Egypt. LEAF accreditation was also recently achieved for our melon farmers in Spain, and we plan to achieve accreditation for our Senegalese farmers in 2024.





## Goal Number 3 ZERO WASTE



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



### Eliminating Waste

- We have achieved zero food waste at some sites including the UK, Ghana and Benin.
- We aim to optimise operational efficiency and reduce waste in production and distribution ensuring minimal residues from fruit, packaging and other materials.
- We work to the highest quality standards to meet the needs of customers and reduce downstream waste.



### Reducing Water Consumption

- We are implementing water efficiency measure such as new tray washes, automatic taps and improved maintenance of leaks. In the UK, this has helped us to reduce usage by 5%.
- Water recycling through reverse osmosis in Benin has helped to save 1,000 plastic bottles of drinking water a month.
- Water mapping in Brazil has helped us to identify where water is being used.



### Feeding into the Circular Economy

- We are adopting measures to improve how we sort and recycle waste, such as using colour coded bin bags at in Ghana, which has helped to increase recycling rates.
- We have our own compost sites which turn organic waste into soil, which goes back to farms.
- In Egypt and the UK, we supply organic waste for animal feed.
- Where possible, we donate surplus fruit to charities through organisations like Fairshare and the Felix Project.



### Using Sustainable Materials

- We have introduced lower gauge lidding film which will save over 5 tonnes of plastic per year
- We have introduced soluble adhesive labels to increase the recyclability of our trays.
- We switched to locally made, lighter weight preforms for our juice which will save 4.5 tonnes of plastic per year.
- We have advanced several innovations through our industry R&D hub (see page 21).



### How are we doing?

Target	2020	2021	2022	Status
Zero food waste to disposal by 2030	38%	32%	27%	On Track
100% factory wastewater recovered by 2030	Monitoring and Reporting system in development			
All packaging 100% recyclable by 2025	88%	91%	91%	On Track
All packaging from >30% recycled content by 2025	83%	87%	88%	On Track





Goal Number 3  
**ZERO WASTE**

**INITIATIVES**

# Preventing waste going to landfill

## Turning organic residues into compost

By making finished products in the countries where our fruit is grown, we can recycle the residual organic material to that it can be used by farmers to reduce the need for chemical fertilisers. For this reason, we run our own composting operations in Ghana and Benin which transforms left-over materials such as pineapple crowns and mango skins back into nutrient rich soil within around eight weeks.

The resulting compost is then made available for our farmers to use, thereby completing the virtuous circle and helping us to grow yet more high-quality fruit. This also helps us to reduce emissions, since the waste materials are not transported with the final product and no organic material is sent to landfill sites.



## Ensuring surplus fruit does good

Blue Skies has partnered with a number of organisations including the Felix Project in the UK, to redistribute surplus fruit 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, Blue Skies ensures that fruit does not go to waste while positively helping local charities to support vulnerable people and address food poverty.

Indicator	2021	2022
Total tonnes of surplus fruit donated to charities	58.2	44.2

## Transforming waste to revenue

With our Zero Waste ambition, we are exploring several opportunities to transform materials that might have otherwise gone to waste, into new revenue streams. This includes supplying mango stones for processing into mango butter used in the cosmetics industry and using black soldier fly larvae to convert food waste into new sources of protein for human and animal consumption.





Goal Number 3  
**ZERO WASTE**



## INITIATIVES

# Finding solutions to Plastic Pollution

In 2022, Blue Skies launched The Fresh Produce Impact Hub (FRESHPPACT) which has brought together organisations working in the food industry to define shared sustainability challenges, and work with research partners to identify, test and implement solutions. Its first focus has been on finding solutions to mitigate pollution from plastic used in fresh produce supply chains.

FRESHPPACT is being funded with support from a UKAid grant which has been made 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).



Our Freshppact Partners



## Shortlisted Solutions

The first focus of FRESHPPACT has been on finding solutions to mitigate plastic pollution from workwear, agricultural mulch and packaging. Working with the University of Northampton, we engaged over 150 organisations and launched a call for proposals to identify a variety of solutions which have gone through an extensive review process. At the end of this process, three solutions (shown in the table below) are being awarded funding to conduct a series of trials in Ghana over the next three years. In addition, we plan to test a variety of compostable mulch materials as part of a holistic baseline assessment by the University of Northampton.

### Project Details

<b>Coco360</b>	Biodegradable mulch from coconut coir	Obtained from coconut waste, material is reusable impermeable, hard and mouldable. Potential to be locally manufactured.
<b>Data Solution Hub</b>	Mechanical mulch lifter	Modular equipment which can be attached to a tractor. Can be flat packed and shipped to be assembled on the farm.
<b>Kelpi</b>	Biobased Polymer coatings and films	Created from seaweed and plant-based materials. Compostable, recyclable and marine safe at end of life.





## Zero Waste Disclosures

## WASTE

GRI Reference		Disclosure	2020	2021	2022
306-1	●	Average Discharged water quality COD (mg/l O <sub>2</sub> )	873.03	757.19	987.41
306-2	●	Total waste generated (tonnes)	33,906	44,989	43,902
306-2	●	Total waste reused or redistributed (tonnes)	8,706	14,852	17,801
306-2	●	Total waste recycled (tonnes)	6,486	14,957	13,705
306-2	●	Total waste recovered (tonnes)	5,784	261	261
306-2	●	Total waste incinerated (tonnes)	3	1	8.34883
306-2	●	Total waste to landfill (tonnes)	12,929	15,903	12,127

## WATER

GRI Reference		Disclosure	2020	2021	2022
303-4	●	Ground water withdrawal (m3)	126,045	112,058	146,432
303-4	●	Third-party water withdrawal (m3)	97,170	116,734	107,417
303-4	●	Total water withdrawal (m3)	223,215	228,792	296,145
N/A	N/A	Water withdrawal intensity (m3/tonne)	11.7	9.2	11.3

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

2022 Update

## Zero Waste Disclosures

## RAW MATERIALS

GRI Reference		Disclosure	2020	2021	2022
301-1	●	Total volume of raw materials purchased (tonnes)	55,561	77,491	72,854

## PACKAGING MATERIALS\*

GRI Reference		Disclosure	2020	2021	2022
301-1	●	Volume of packaging material purchased (tonnes)	1,017	1,245	1,229
301-1	●	Proportion of packaging material from renewable source	13%	12%	7%
301-1	●	Proportion of packaging material from non-renewable source	87%	88%	93%
301-2	●	Proportion of packaging material from >30% recycled content	83%	87%	88%
301-2	●	Proportion of packaging material from 100% recycled content **	44%	28%	26%
301-3	●	Proportion of packaging material that is 100% recyclable	88%	91%	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

○ 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



## Sourcing renewable Energy

- We have switched to green energy tariffs at our factories in UK and Brazil, ensuring 100% renewable energy supply.
- We have installed solar panels on the roof of our factory in Egypt and have proposals to do the same at all our other sites.
- We have developed a sustainable energy roadmap to guide us on how we will achieve 50% energy from renewable sources by 2030



## Increasing energy efficiency

- We are installing remote energy monitoring and have increased reporting on key energy metrics, which has enabled us to identify ways we can increase efficiency.
- 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 are seeing reduced refrigerant rates in 2023 due to improved monitoring and maintenance.
- We are developing plans to switch to more sustainable refrigeration systems, for example using natural refrigerants.
- Energy usage and breakdowns dropped substantially at our UK factory after we replaced outdated refrigeration systems.



## Working with our suppliers and partners

- We are working with Tier 1 suppliers to understand and reduce their emissions in line with our Net Zero goal.
- We plan to use Sustainable Aviation Fuels (SAF) to carry airfreighted cargo, which can reduce emissions by up to 80%.
- We are development partners of Hybrid Air Vehicles in their Airlander 50 project to pioneer the introduction of zero emissions airships to transport our fruit.



## How are we doing?

Target	2020	2021	2022	Status
SBTi NetZero emissions by 2050	157,243* Tonnes Co2e	212,560 Tonnes Co2e	223,754 Tonnes Co2e	On Track
30% reduction in our emissions by 2030 from 2021 baseline	N/A	N/A	+5% **	On Track
30% energy from renewables by 2030	22%	11%	13%	On Track

2022 Update

\* 2020 results include data on a limited number of Scope 3 categories. \*\*Our Net Zero projections assume an increase in absolute emissions before we start to see a decrease.





Goal Number 4

# NET ZERO EMISSIONS

## INITIATIVES

## Following a pathway to Net Zero

Blue Skies have signed up to the Science Based Target Initiative (SBTi) and have committed to an SBTi Net Zero target by 2050 and a near-term SBTi target of 30% reduction in emission by 2030 (from a 2021 baseline). We can achieve this by working towards the following targets:

- Reducing energy intensity by 30% by 2050
- Sourcing 100% of our energy from renewable sources by 2040
- Reducing refrigerant leakage by 80% and switching to low emissions refrigerant systems by 2040
- Achieving zero waste to landfill by 2030
- Sourcing all materials from suppliers committed to a SBTi Net Zero target by 2030.
- Working with the aviation industry to adopt new technology such as hybrid air-vehicles, hydrogen aircraft and Sustainable Aviation Fuels.



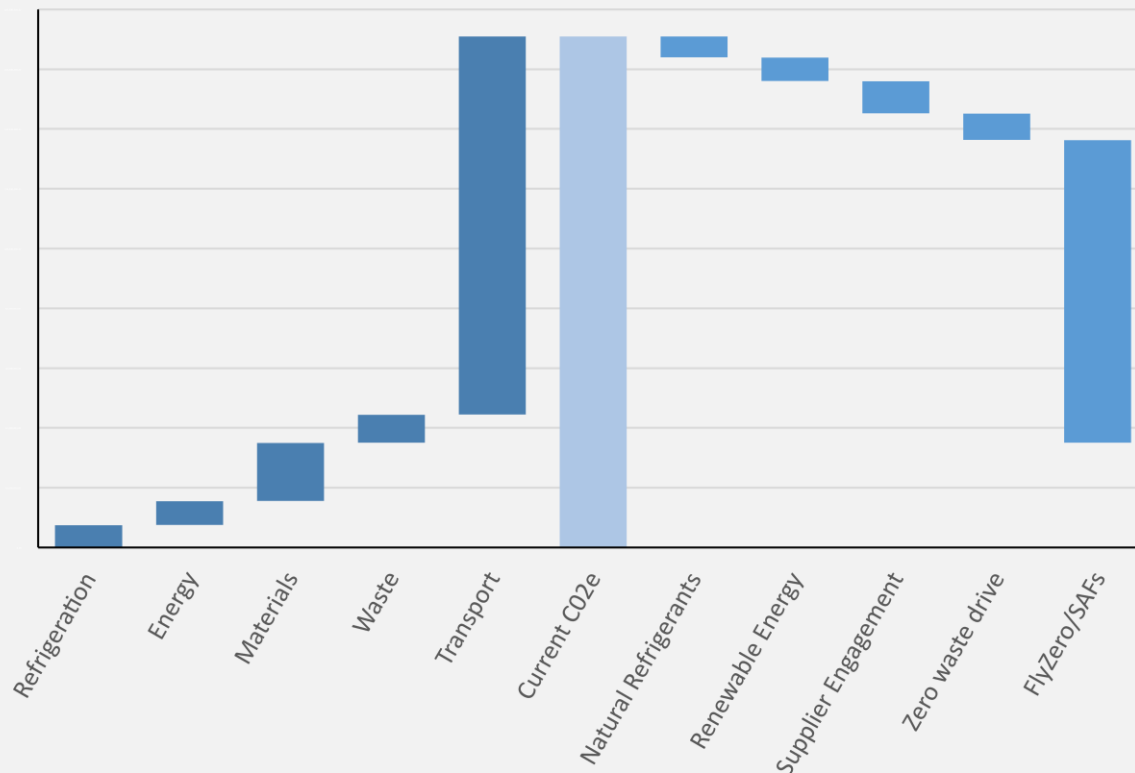
We are an official partner of the Hybrid Air Vehicles Airlander 50 Development Partner Programme. The programme provides an opportunity for us to contribute to the specification of Airlander 50 – an aircraft that will provide low-emissions air transport of the future.

[Click here to find out more.](#)



## Net Zero Waterfall

The waterfall chart below shows the main contributors to our greenhouse gas emissions and the measures we are undertaking to reduce our emissions towards our net zero target.



2022 Update



## Net Zero Emissions Disclosures

## EMISSIONS

GRI Reference		Disclosure	2020	2021	2022
305-1	●	Scope 1 Emissions (Tonnes Co2e)	9,862	11,672	14,543
305-2	●	Scope 2 Emissions (Tonnes Co2e)	5,525	6,729	6,893
305-3	●	Scope 3 Emissions (Tonnes Co2e)	141,856	194,159	202,318
305-4	●	Scope 1&2 Emissions Intensity (Tonnes Co2e per Tonne of Finished Product)	0.72	0.71	0.76

## ENERGY

GRI Reference		Disclosure	2020	2021	2022
302-1	●	Total electricity consumption (kWh)	14,324,296	19,020,408	20,153,581
302-3	●	Electricity intensity (kWh/tonne)	752	766	766
302-1	●	Total fuel consumption (kWh)	589,932	591,158	711,314
302-1	●	Proportion of energy from renewable sources (%)	22%	12%	13%

\* 2020 results include data on a limited number of Scope 3 categories.

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

2022 Update



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		
Describe the climate-related risks and opportunities the organization has identified over the short, medium, and long term	Short-term	<ul style="list-style-type: none"><li>• Changes weather patterns causing volatility in raw-material availability</li></ul>
	Medium-term	<ul style="list-style-type: none"><li>• Volatility in product demand due to changes in European climate</li><li>• Greater administrative burden from mandatory reporting</li><li>• High investment cost of decarbonisation</li><li>• Higher distribution costs</li></ul>
	Long-term	<ul style="list-style-type: none"><li>• Potential carbon taxation in key markets</li><li>• High offsetting cost for carbon removals</li><li>• Reduced customer demand for carbon intensive products</li><li>• Reduced availability of route-to-market</li></ul>
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.	

Task Force For Climate Related Financial Disclosures (TCFD)

Pillar / Recommendation	Response	
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 engagement, regular monitoring of climate-related trends (including market and regulatory developments) and annual emissions reporting. Climate related risks and opportunities are managed through existing management structures with functional heads assuming accountability for goals and targets that are agreed by the business.	
Describe the organization’s processes for managing climate-related risks		
Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organization’s overall risk management		
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 trends auditing and reporting costs, climate related tax and carbon offsetting costs	
Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks	Scope 1 Emissions (Tonnes Co2e)	14,543
	Scope 2 Emissions (Tonnes Co2e)	6,893
	Scope 3 Emissions (Tonnes Co2e)	202,318
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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**BLUEPRINT**