

An aerial photograph of a wind farm. Numerous white wind turbines are scattered across a green, hilly landscape. In the foreground, there is a dense forest of evergreen trees. A dirt road or path winds through the forest. The sky is blue with scattered white clouds. The overall scene is bright and clear.

Zenith Print & Packaging

Environmental, Social, Governance (ESG) Report 2021-22

Our commitment to Sustainability, Social Responsibility and Corporate Governance

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Message from the CEO

We're excited to share our first sustainability report, documenting the progress we've made and highlight our plans to make significant social and environmental improvements along our sustainability journey.

Our vision is to be an industry leader in innovative sustainable packaging. Reducing the environmental impacts of our products whilst maintaining their high quality, is a key priority for us.

In doing this, the United Nations Sustainable Development Goals (SDGs) have been selected as a guide and benchmark.

2022 was our inception year in building our company ESG Framework, and the year in which we appointed our ESG Committee. This Committee comprises a diverse group of Employees, who have been selected for their passion for making positive change to improve the future for everyone.

From an environmental perspective, our starting point was to engage with an Industry Recognised Body to become "Carbon assessed" for the first time and provide our "starting point".

After a review of suitable entities, Carbon Footprint Ltd were selected as our chosen supplier to monitor our Carbon Footprint.



Carbon Footprint is a founding member of the Quality Assurance Standard (QAS) for Carbon Offsetting and uses calculation methodology which is independently verified and meets the highest standards available in the offsetting industry. After collating and submitting the relevant information in line with the required methodology, we were officially carbon assessed for our previous financial year and awarded our first Carbon Footprint standard™.

Joseph Towler
Chief Executive Officer

Introduction

At Zenith we recognise our responsibilities to operate in a manner which minimises the impact we have on the environment and to ensure our operations are as sustainable as possible.

We regularly review our supply chain to ensure the materials we consume in our manufacturing process and transportation have been made in an environmentally responsible and sustainable manner.

Our ESG commitments, actions and targets are brought to life by people across all levels within Zenith. These commitments are supported by an ESG committee that works together to raise awareness, take proactive action upon new sustainability ideas and initiatives, and share best practice. The ESG committee meets quarterly to review live data and policies, and reports progress against targets to the Executive Chairman and Board.

Our ESG Committee:

Joe Towler	Chief Executive Officer
Claire Harris	Managing Director of Numismatics
Lynne Davies	Quality Manager
Richard Long	ICT Manager



The ESG committee was setup on the belief that it is not companies which make sustainability happen; people do, and the ESG Committee comprises people who share a passion in wanting to make proactive and meaningful improvements to Zenith's carbon footprint and sustainability.

Carbon Footprint

We have recently completed our inaugural Carbon Footprint assessment using independent consultants (Carbon Footprint Ltd). This involved assessing all direct and indirect activities which resulted in carbon generation. As a result of this we now have data which will form the foundations for the company to base its carbon reduction targets on, allowing us to target areas where we can make the greatest impact.

Some of these include our fleet of vehicles, from the driving style of the driver to engine emissions, load maximisation, vehicle suitability and the planning of fuel efficient delivery routes.

Using the baseline tCO₂e figures below we have set a target to reduce Scope 1 & 2 emissions by 5% per annum until 2025 and by 50% before 2030.

Scope	2021-22	Location Based	Market Based
Direct (Scope 1)	Natural Gas	159.23	159.23
	Company Vans	70.62	70.62
	Company Vehicles	4.03	4.03
	Subtotal	233.88	233.88
Indirect (Scope 2)	Electricity	565.01	94.14
	Subtotal	565.01	94.14
Total Gross Emission (tCO₂e)		798.89	328.02



Energy Management

Good energy management is viewed as a high priority and is practised throughout our company. Our continuous investment in the latest manufacturing equipment helps keep us productive and energy efficient.

We have taken several measures throughout our buildings to reduce energy consumption where possible, including the installation of LED lighting, automatic light switches, power saving policies on our IT equipment, replacement of old boilers and upgrades of our office windows to double glazing.

While the above helps us reduce consumption we also ensure that our electricity procurement is zero carbon. This means that our electricity is from a mix of renewable and nuclear sources, however we are in the process of exploring investment into our own installation of solar panels at our largest production site in Pontypool.

The panels would provide around 20% of the electricity used at the site which equates to 440,000 kWh annually. During shut down periods the panels will continue to operate and feed electricity into the National Grid.



Responsible Sourcing

It is Zenith's belief that companies committed to good ESG practices need clear and credible visibility of where they are directing their procurement spend.

99% of our paper & board is certified to either FSC or PEFC standards. This ensures that Zenith is sourcing its raw material from sustainably managed forests.

In addition to this we also promote the use of Carbon Balanced papers, an initiative that offsets the carbon emissions which have been generated from its production.

- Zenith plan to evolve its current ISO accredited supplier procedures with a view to having Sustainability at the forefront of our supply chain partners.
- A new Procurement Framework will be setup by Zenith where suppliers will be required to demonstrate their ESG goals, and progress towards those goals.
- An updated selection criteria will be setup by the end of 2023, to ensure that all of Zeniths strategic supplier partners are also partners in driving positive sustainable change.



Alternative Products & Waste Management

One of our environmental objectives is to source alternative products which have a lower environmental impact and to ensure our waste management is capturing as much of our waste as possible with segregation at source.

Some of the alternative products we're currently trialing include:-

- a biodegradable glue for use on our carton glue line and rigid box products.
- vegetable based inks on the printing press.
- increased usage of RPET for our Vac Formed products. This material is 70% virgin and 30% recycled. The product is 100% recyclable.
- paper based pallet strapping.
- paper based parcel tape.



Certifications

Zenith has held certification to ISO 9001, ISO 14001 and FSC® Chain of Custody for nearly 20 years. These systems have served us well, ensuring that Quality and the Environment have been core to operations and have paved the way for a natural progression into sustainability and carbon foot printing.

In addition to these we're also members of SEDEX for managing our supply chain. This gives us visibility of independent audits conducted on our suppliers. Vice versa, our customers can view our own audit reports such as those mentioned above and SMETA.

SMETA (Sedex Members Ethical Trade Audit) encapsulates labour standards, health & safety, environment and business ethics. It is an important part of our company ethos and helps ensure our employees are treated fairly and within their rights.

We have now decided to explore the possibility of becoming a carbon balanced printer via the World Land Trust™. We already promote and regularly supply carbon balanced papers to our customers. Becoming a certified carbon balanced printer will assist our customers with their own carbon reduction targets and fits well into our vision of the type of environmentally conscious company we are.



ISO 9001
Quality
Management



ISO 14001
Environmental
Management



FSC® Chain of Custody
Sustainable Paper Sourcing

The mark of
responsible forestry

Sedex Member &
SMETA Audited

Proud to be a
Sedex
Member

United Nations

Sustainable development goals

In 2015 the United Nations set a list of 17 key Sustainable Development Goals (SDGs) to create a better world by 2030. While the SDGs help businesses focus on what improvements can have a meaningful impact, at Zenith we recognise the SDGs require a coordinated approach which engages all stakeholders: clients, supply chain partners, investors, and colleagues. Zenith take immense pride in being proactive in working towards these goals to build a better future for everyone.

We have selected 4 Priority goals which we feel are core to our strategic objectives. Our selected priority goals are not the only SDGs in which we are active, as many SDGs are interlinked, but the goals we have chosen are those deemed to be the most relevant to our business, both now and in the future. These priority goals will be central to our strategy, our ongoing investment plans and to our responsible sourcing framework.



United Nations

Selecting our priority goals - Social

UN Goal 5 Gender Equality

UN Goal 10 Reducing Inequalities



At Zenith we believe that anyone can make a contribution to the company within or outside of their day to day role. We are proud of the diverse workforce we have built from being an inclusive business that reflects the communities in which we operate.

Respecting the rights and opportunities of every person, regardless of gender, ethnicity, religious beliefs or their sexual orientation builds the foundations for employees to realise their potential and contribute value to our goals.

We now have set targets for female representation throughout our management structure of which we are either near or above target.

Some of our current social initiatives can be found on the final page of this report.



Targets Set	Current Progress	2022
Executive Board		
• Target female representation of 40%	4 Board Members – 2 Women (50%)	Above target
Directors		
• Target female representation of 40%	7 Directors – 2 Women (29%)	Near target
Senior Management		
• Target female representation of 40%	11 Managers – 5 Women (45%)	Above target

United Nations

Selecting our priority goals - Environmental

UN Goal 12 Ensure sustainable consumption and production patterns

UN Goal 13 Taking urgent action to combat climate change and its impacts



Zenith recognises that we're able to contribute towards the conservation and protection of the natural environment by improving our own environmental practices and to promote awareness of sustainability among all employees, suppliers and customers.

Sustainability is high on our agenda and we strongly believe that by incorporating responsible sourcing into our Integrated Management System for ISO 14001, ISO 9001, FSC® and Ethical Trading we can improve our working practices and pass on our improvements to our suppliers to ensure they operate in the same way as ourselves.

We regularly work with customers on projects to help design packaging solutions which are both sustainable and minimise material usage.



Current and Upcoming Initiatives

Transport

Reduction in the number of individual deliveries through the purchase of a larger more fuel efficient delivery vehicle.

Sponsorship

In collaboration with customers, we've commenced a school sponsorship program to places including The Royal Mint Experience and the Sony UK Technology Centre.

Energy

Installation of ambient coolers to reduce the energy consumption of our chilling systems by around 7% on our printing presses.

Inks

Our 8 colour printing press has been converted to vegetable based inks providing a more environmentally friendly end product.

Carbon

Zenith has completed its first Carbon Assessment using an independent body to capture, measure and analyse its carbon footprint.

Packaging

Working with customers to reduce their waste/transit packaging and eliminate plastic. We now use paper based tape as a standard.