

Sustainability Statement – February 2023

1. Measure greenhouse gas emissions across all scopes

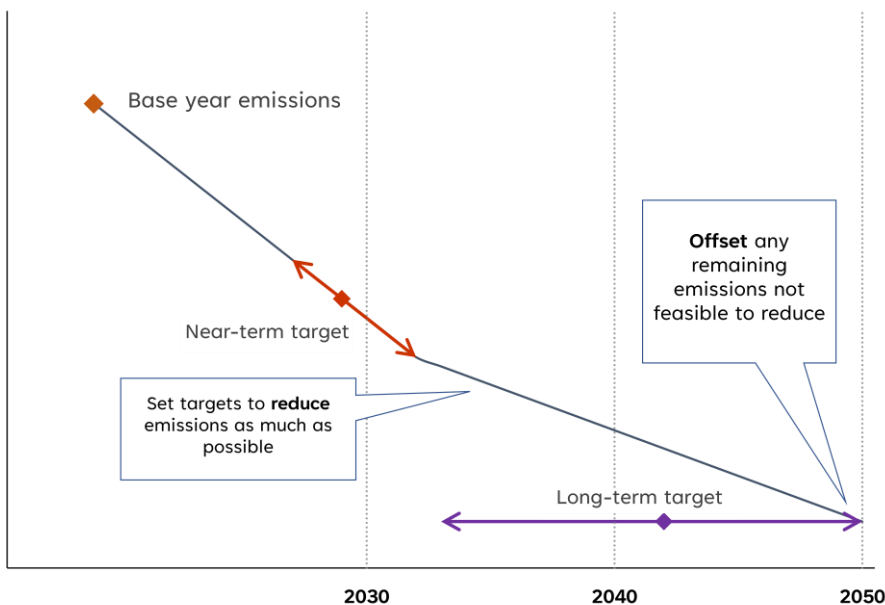
We have now finalised our greenhouse gas emissions measurement covering our entire business operations including;

Scope 1	Scope 2	Scope 3
Emissions at sources directly controlled by Clays	Indirect emissions associated with electricity purchases	Indirect emissions across the supply chain

This is towards setting a baseline for our emissions with the most accurate data possible to enable us to track and report our progress annually. Inherently a number of scope 3 categories are currently based on secondary average data, therefore over time we will be looking to improve our data specificity through engaging with our suppliers to measure and reduce their emissions. We also recognise the importance of ensuring our calculation methods are aligned with industry wide reporting, such as the Book Chain Project to enable benchmarking.

2. Develop near-term and long-term science-based targets

In March 2022, Clays made the commitment to the Science Based Targets initiative Net-Zero standard to map the rate we need to reduce our greenhouse gas emissions in line global temperature thresholds.



- All targets will cover scopes 1, 2 and 3 emissions with different rates of decarbonisation from a 2019 baseline
- **Near-term** target = to achieve between 5 to 10 years from the year targets are set
- **Long-term** target = a 90% reduction from the 2019 baseline to achieve by no later than 2050
- Aligned with the levels required to limit global warming to **no more than 2 degrees**
- **Net-zero** = prioritise emissions reductions before using high quality carbon offsets to eliminate residual emissions

3. Participate on industry forums

Clays are driving the conversation on sustainability across the book industry in recognition that many of the challenges that we face need to be addressed at an industry wide scale. In view of this, Clays are currently committed to:

The Independent Publishers Guild Sustainability Action Group



The Publishers Association Sustainability Taskforce

Signatories to Publishing Declares



Book Industry Communication (BIC) Group

Accreditation Badges

- Mapping and evaluating environmental and social responsibility certifications applicable to the book industry against principles of governance quality and effectiveness

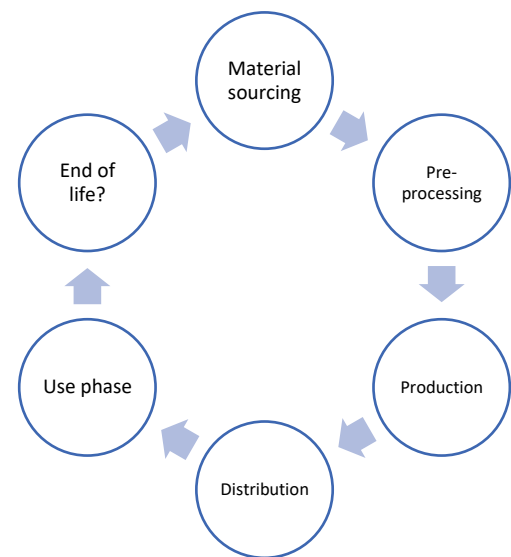
Designed for Recycling

- Identifying points in the supply chain where waste and recycling occur to assess management programs according to environmental best practice

4. Build a knowledge base for sustainable production materials and practices

Our participation in these groups form part of our broader purpose to build a knowledge base for sustainable materials and practices through understanding how these indicators can be effectively used in design, sourcing and production decisions.

Developing a comprehensive picture of these sustainability impacts requires taking the entire life cycle into account. This will involve us engaging with our suppliers to understanding the impacts of sourcing raw materials, internally to understand the implications on production and downstream to drive end-to-end information sharing and strategies.



5. Highlight sustainability initiatives and share progress

Clays have an established environmental management system following the ISO14001:2015 standard to tackle the direct environmental impacts in our operations with projects achieving sustained improvements in paper waste and energy efficiency. As we move forward, we will be looking to share our learnings and issue regular updates on our progress.