

Tullis Russell Coaters Sustainability Report 2024

Tullis Russell 
HIGH PERFORMANCE COATING





INTRODUCTION

From our plant in Bollington, Tullis Russell Coaters operates a leading international Coating and Converting company. Thanks to our cutting edge, multi-layer coating technologies, we are able to simultaneously apply different coating layers at high speed. We have a wealth of expertise in manufacturing high performance surface, silicone and adhesive coatings with extensive capabilities for contract coating and lamination, allowing us to remain at the forefront of coated paper and film development.

Our high quality trusecurity® and trudigital® products are exported to 120 countries worldwide and used in a multitude of different end applications. Our trubarrier® development is helping us displace petrochemical based films with innovative, environmentally responsible dispersion coatings.

CONTENT

3	MANAGING DIRECTOR'S STATEMENT
4	COMPANY PROFILE
5	VISION AND VALUES
6	EXECUTIVE SUMMARY
7	EMISSIONS AND ENERGY DATA 2023/24
8	OUR SUSTAINABILITY DEVELOPMENT GOALS
9	SUSTAINABILITY GOAL 7
11	SUSTAINABILITY GOAL 8
13	SUSTAINABILITY GOAL 9
15	SUSTAINABILITY GOAL 12
17	SUSTAINABILITY GOAL 13
19	SUSTAINABILITY GOAL 15
21	OUR JOURNEY TO DE-CARBONISATION
22	OUR SUSTAINABILITY ACTIONS
25	GLOSSARY



MANAGING DIRECTOR'S STATEMENT

I am pleased to share an exciting new chapter in our company's journey: our commitment to building a sustainable future. As we navigate the evolving landscape of global business, it has become clear that addressing environmental and social responsibilities is not just beneficial but essential for our long-term success. 2023/24 was a challenging year for the paper industry which saw a reduction in volumes across Europe, but as an Employee Owned company, we were able to weather this storm whilst maintaining our headcount and are now seeing a recovery in production levels. Today, I am proud to announce that Tullis Russell Coaters is embarking on a strategic initiative to integrate sustainability into all aspects of our operations, ensuring that we make a positive impact on the world around us.

At a high level, our sustainability objectives focus on three core pillars:

- reducing our environmental footprint,
- promoting social responsibility, and
- fostering innovation for a greener economy.

We aim to lower our 2022 carbon footprint by 50 % by 2027, and are already 30% of our way towards this target, and to have a positive impact on the environment by 2030. In tandem, we are committed to supporting our employees, communities, and partners as we champion ethical practices and sustainable growth. These goals will guide our decision-making, encourage responsible practices, and inspire positive change across our industry.

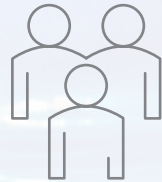
This journey will require collaboration, commitment, and an unwavering dedication to our values. I am confident that with our team, we can achieve our sustainability ambitions and set a new standard for responsible business. I look forward to sharing our progress with you and thank you for joining us on this transformative path.

Fergus McKendrick,
Managing Director

COMPANY PROFILE



FOUNDED IN
1809



OVER **100**
EMPLOYEES



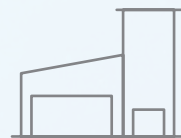
EMPLOYEE
OWNED



AA RATING
BRC-GS FOOD
CERTIFIED
PRODUCTION



£18m
SALES IN 2023



**3 BUSINESS
UNITS**

TRSecurity, TRLabel & TRAdvance

















TO BE THE WORLD'S
LEADING CREATIVE
AND ENVIRONMENTALLY
RESPONSIBLE COATING
COMPANY.

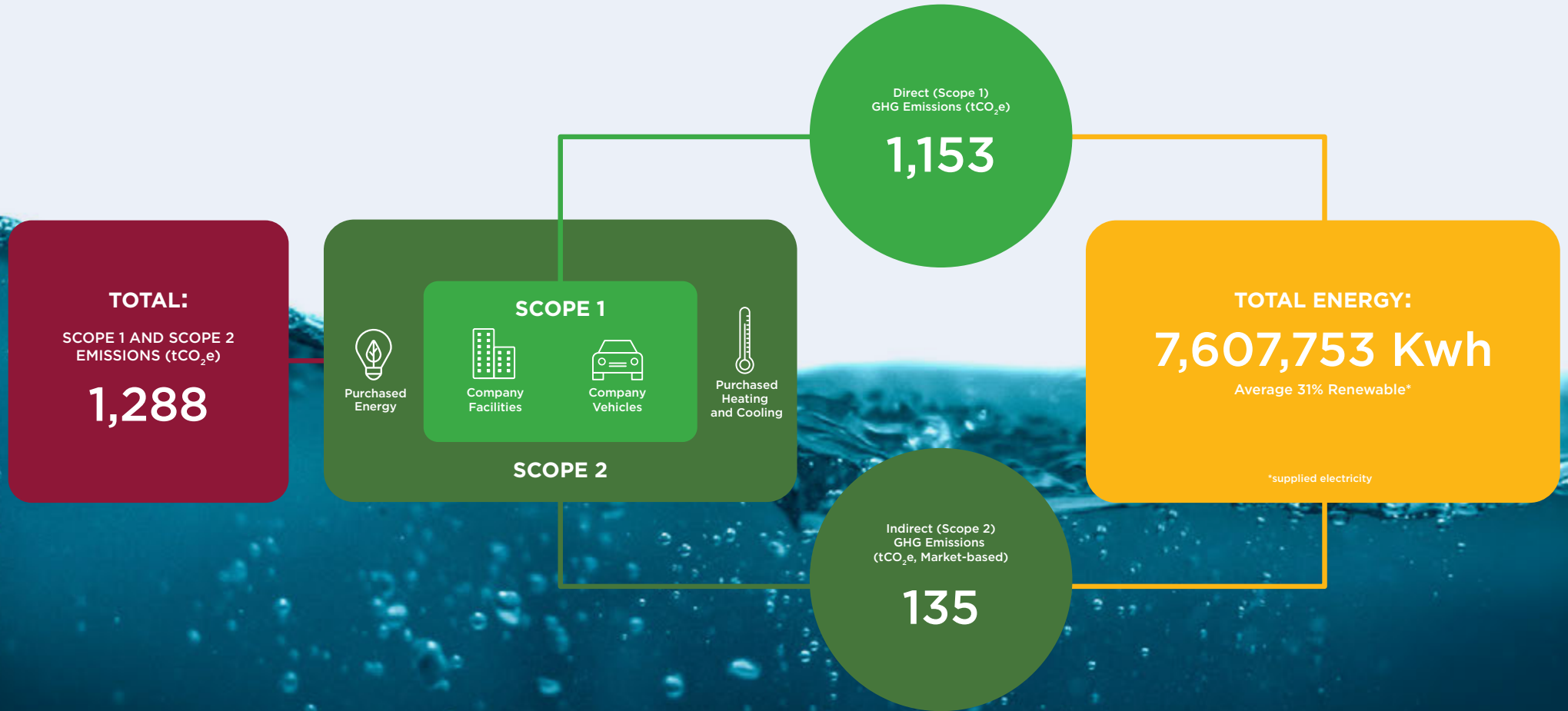


EXECUTIVE SUMMARY

↑ Significant progress toward target
 ➔ No current progress
 ↓ Insufficient progress toward target

FOCUS AREA	KEY PERFORMANCE INDICATOR	LINK TO PRIORITY SDG
 DE-CARBONISATION	<ul style="list-style-type: none"> ↑ Increase percentage of renewable energy by consumption ↓ Reduce the Energy used to manufacture our product measured as kWh per Thousand Square Metres (TSM) ↓ Year on Year reduction in GHG emissions, with a 50% reduction by 2030 	  
 ENHANCING COMMUNITY WELLBEING	<ul style="list-style-type: none"> ↓ Increase TSM per employee per productive hour 	 
 SUSTAINABLE INNOVATIONS	<ul style="list-style-type: none"> ↓ Reduce volume of water used per TSM ➔ Increase percentage of all waste recycled ↓ Increase Goods-in TSM per delivery vehicle ↓ Increase Goods-in TSM per haulage vehicle ↑ Reduce CO₂ emissions per TSM 	  
 RAW MATERIAL SECURITY	<ul style="list-style-type: none"> ↓ Increase the proportion of FSC paper in our supply chain 	 

EMISSIONS AND ENERGY DATA 2023/24



OUR SUSTAINABILITY DEVELOPMENT GOALS

Our values align with the United Nations Sustainable Development Goals. These were conceived in 2015 by the UN General Assembly as an urgent call to action to work together in a global partnership towards peace and prosperity for people and the planet, both now and in the future.

We are committed to play our part in supporting the targets behind these 17 goals and are working to achieve relevant goals by 2030.



ENSURE ACCESS TO AFFORDABLE, RELIABLE, SUSTAINABLE AND MODERN ENERGY FOR ALL.



PROMOTE SUSTAINED, INCLUSIVE AND SUSTAINABLE ECONOMIC GROWTH, FULL AND PRODUCTIVE EMPLOYMENT AND DECENT WORK FOR ALL.



BUILD RESILIENT INFRASTRUCTURE, PROMOTE INCLUSIVE AND SUSTAINABLE INDUSTRY AND FOSTER INNOVATION.



ENSURE SUSTAINABLE CONSUMPTION AND PRODUCTION PATTERNS.



TAKE URGENT ACTION TO COMBAT CLIMATE CHANGE AND ITS IMPACTS.




PROTECT, RESTORE AND PROMOTE SUSTAINABLE USE OF TERRESTRIAL ECOSYSTEMS, SUSTAINABLY MANAGED FORESTS, COMBAT DESERTIFICATION, AND HALT AND REVERSE LAND DEGRADATION AND HALT BIODIVERSITY LOSS.



SUSTAINABILITY GOAL 7: AFFORDABLE AND CLEAN ENERGY

Ensure access to affordable, reliable, sustainable and modern energy for all.

- 7.2** By 2030, increase substantially the share of renewable energy in the global energy mix.
- 7.21** Renewable energy share in the total final energy consumption.
- 7.3** By 2030, double the global rate of improvement in energy efficiency.
- 7.31** Energy intensity measured in terms of primary energy and GDP.



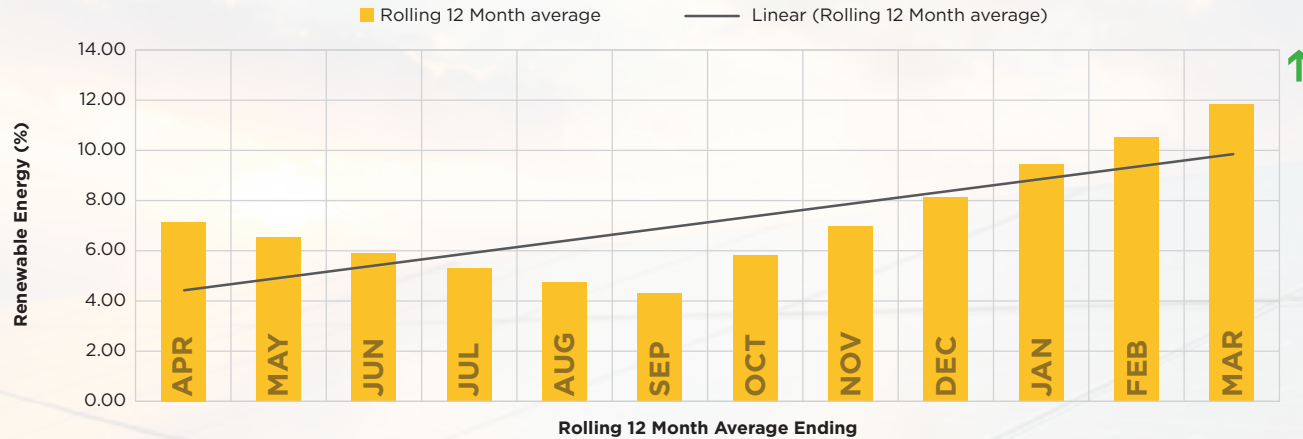
TO INCREASE PERCENTAGE OF RENEWABLE ENERGY BY CONSUMPTION.

REDUCE THE ENERGY USED TO MANUFACTURE OUR PRODUCT MEASURED AS KWH PER THOUSAND SQUARE METRES (TSM).

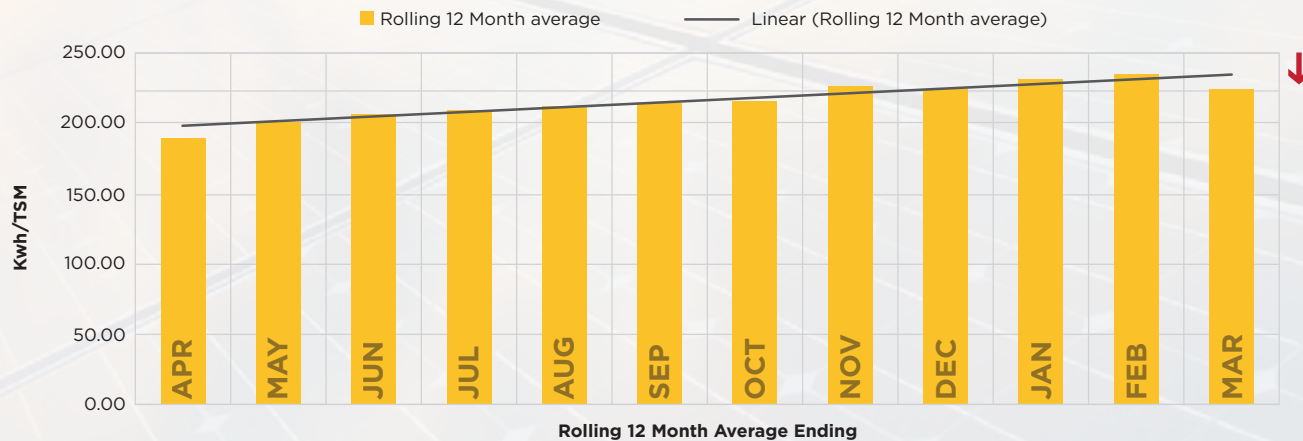
SUSTAINABILITY GOAL 7: AFFORDABLE AND CLEAN ENERGY



Renewable Energy Usage



Energy Usage/TSM



	KPI 1 2023/24	KPI 2 2023/24
Month	Rolling 12 Monthly Average	Rolling 12 Monthly Average
Apr	7.14	189.60
May	6.52	201.65
Jun	5.93	206.63
Jul	5.32	209.19
Aug	4.80	210.93
Sep	4.37	214.09
Oct	5.85	215.40
Nov	7.02	225.26
Dec	8.21	225.00
Jan	9.45	230.95
Feb	10.59	232.83
Mar	11.89	223.69

With climate protection at the forefront of our minds we have sourced and secured our electricity supply from 100% renewable sources.

Production volatility, driven by market forces linked to industry and global events meant we were not as energy efficient this year as we have wanted to be. Operational inefficiencies such as low batch sizes and new product scale up could be categorised as contributors. We are looking at investment in efficiency solutions to drive this forward into 2025.



SUSTAINABILITY GOAL 8: DECENT WORK AND ECONOMIC GROWTH

Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all.

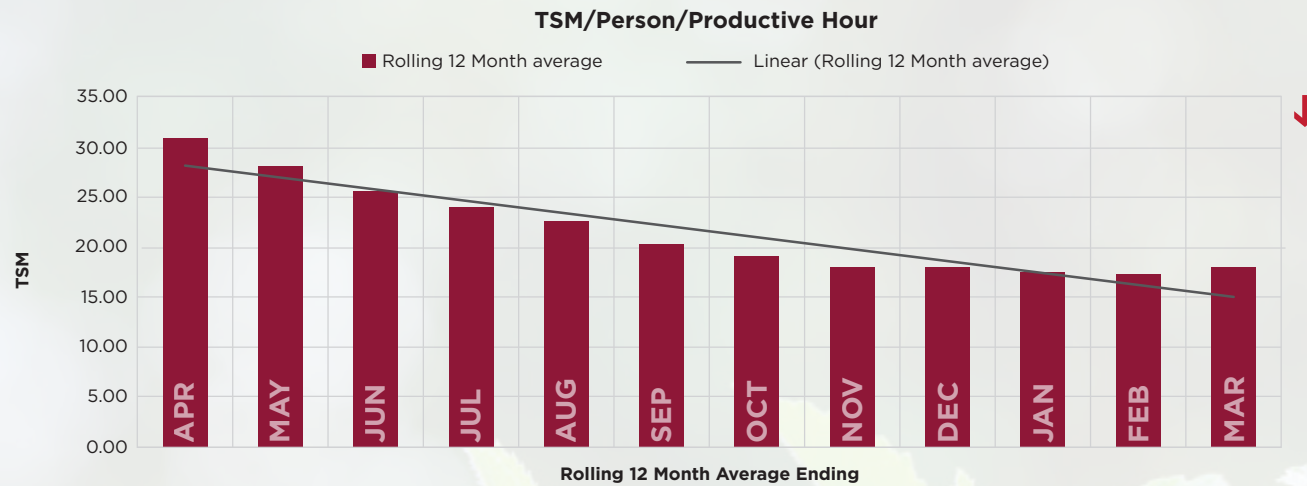
8.2 Achieve higher levels of economic productivity through diversification, technological upgrading and innovation, including through a focus on high-value added and labour-intensive sectors.

8.2.1 Annual growth rate of real GDP (labour productivity) per employed person.



**INCREASE TSM PER
EMPLOYEE PER
PRODUCTIVE HOUR.**

SUSTAINABILITY GOAL 8: DECENT WORK AND ECONOMIC GROWTH



KPI 3 2023/24

Month	Rolling 12 Monthly Average
Apr	31.01
May	28.00
Jun	25.60
Jul	24.00
Aug	22.59
Sep	20.36
Oct	19.10
Nov	17.97
Dec	17.91
Jan	17.46
Feb	17.22
Mar	17.90

The continuing global downturn in demand meant volumes were compromised in early 2023. However, introduction of innovative policies in manufacturing such as flexible working and operator agility recovered productivity and improved the work life balance of manufacturing employees across the board. Our unique approach, along with market and volume recoveries in 2024 bodes well for the future.



SUSTAINABILITY GOAL 9: INDUSTRY, INNOVATION AND INFRASTRUCTURE

Build resilient infrastructure, promote inclusive and sustainable industry and foster innovation.

- 9.1** Develop quality, reliable, sustainable and resilient infrastructure, including regional and transborder infrastructure, to support economic development and human well-being, with a focus on affordable and equitable access for all.
- 9.2.1** Passenger and freight volumes, by mode of transport.
- 9.4** By 2030, upgrade infrastructure and retrofit industries to make them sustainable, with increased resource-use efficiency and greater adoption of clean and environmentally sound technologies and industrial processes, with all countries taking action in accordance with their respective capabilities.
- 9.4.1** CO₂ emission per unit of value added.



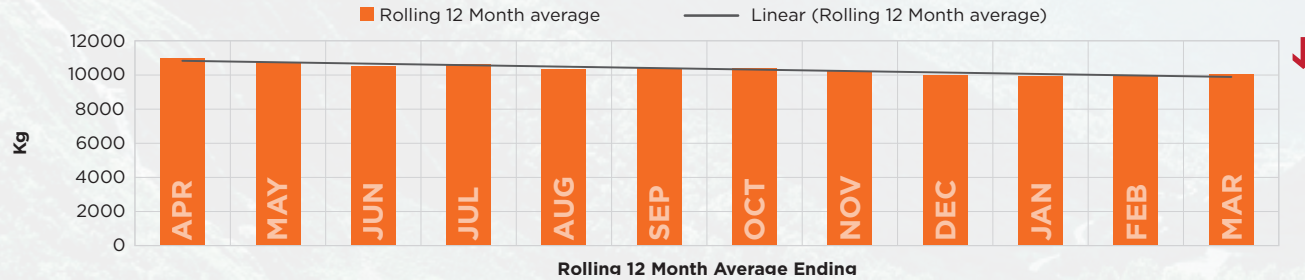
**INCREASE GOODS-IN
TSM PER DELIVERY
VEHICLE AND
HAULAGE VEHICLE.**

**REDUCE CO₂
EMISSIONS PER TSM.**

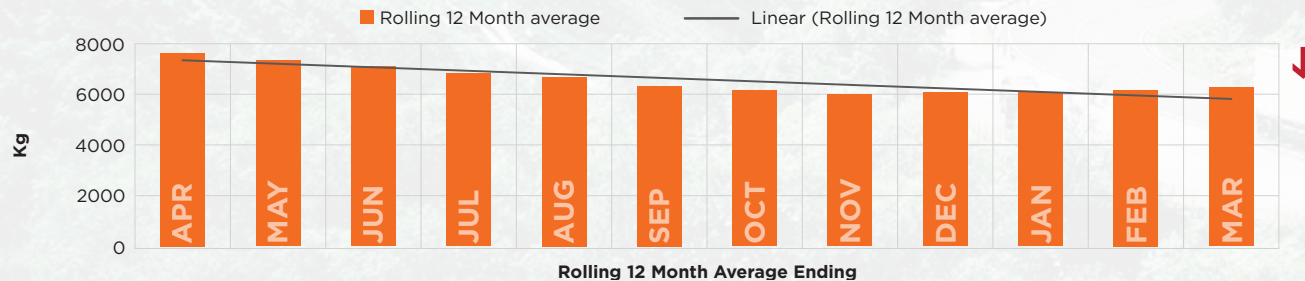
SUSTAINABILITY GOAL 9: INDUSTRY, INNOVATION AND INFRASTRUCTURE



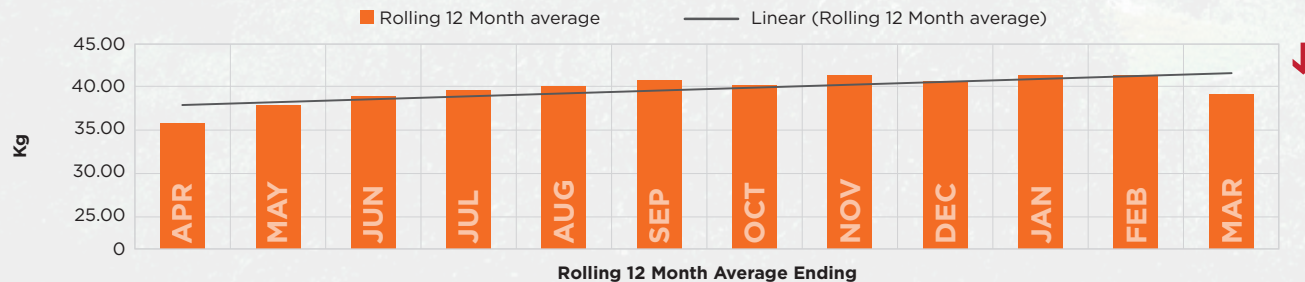
KG per Goods in Vehicle



KG per Despatch Vehicle



CO₂ Emissions/TSM



	KPI 4 2023/24	KPI 5 2023/24	KPI 6 2023/24
Month	Rolling 12 Monthly Average	Rolling 12 Monthly Average	Rolling 12 Monthly Average
Apr	11,063	7,634	35.78
May	10,770	7,369	37.96
Jun	10,610	7,107	38.99
Jul	10,676	6,865	39.55
Aug	10,376	6,693	40.00
Sep	10,428	6,342	40.67
Oct	10,438	6,186	40.28
Nov	10,274	6,014	41.23
Dec	10,008	6,081	40.62
Jan	9,976	6,094	41.29
Feb	10,036	6,158	41.37
Mar	10,091	6,237	39.07

Our focus of optimising transport payloads was compromised somewhat last year as variable sales trends challenged our commitment to our high customer service levels. Our Supply Chain team are working closely with our suppliers and haulage partners, an effort rewarded with a marked improvement since the turn of the year.

With a significant portion of our overheads fixed, our emissions per TSM is heavily influenced by reductions in volume. We actually reduced the amount of energy used in production in 2023, but this was disproportionate to the reduction in volume meaning we generated slightly more CO₂ per TSM of paper coated, laminated and converted than the previous year.



SUSTAINABILITY GOAL 12: RESPONSIBLE CONSUMPTION AND PRODUCTION

Ensure sustainable consumption and production patterns.

12.2 By 2030, achieve the sustainable management and efficient use of natural resources.

12.2.1 Material footprint, material footprint per capita, and material footprint per GDP.

12.5 By 2030, substantially reduce waste generation through prevention, reduction, recycling and reuse.

12.5.1 National recycling rate, tons of material recycled.

12.6 Encourage companies, especially large and transnational companies, to adopt sustainable practices to integrate sustainability information into their reporting cycle.

12.6.1 Number of companies publishing sustainability reports.



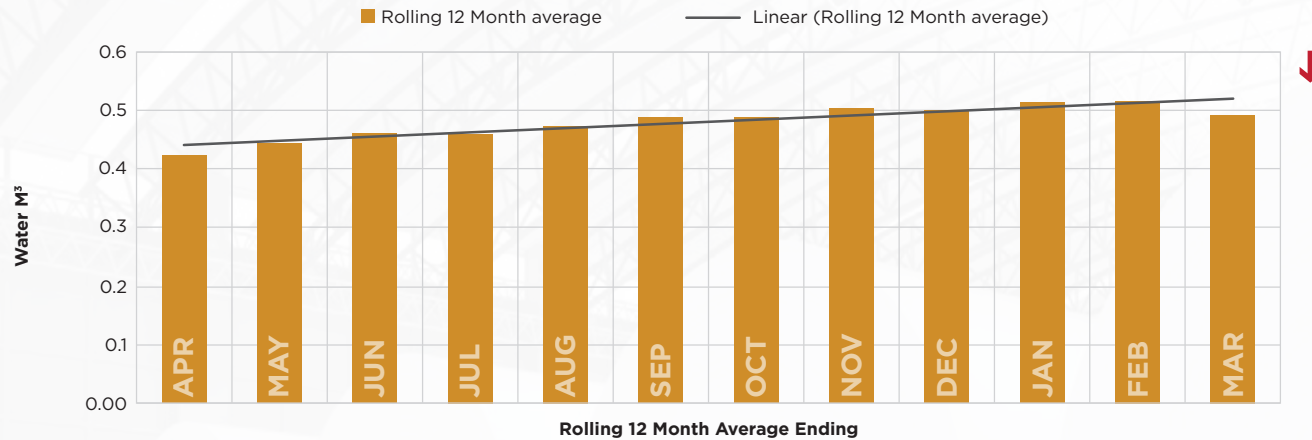
REDUCE VOLUME OF
WATER USED PER TSM.

INCREASE
PERCENTAGE OF ALL
WASTE RECYCLED.

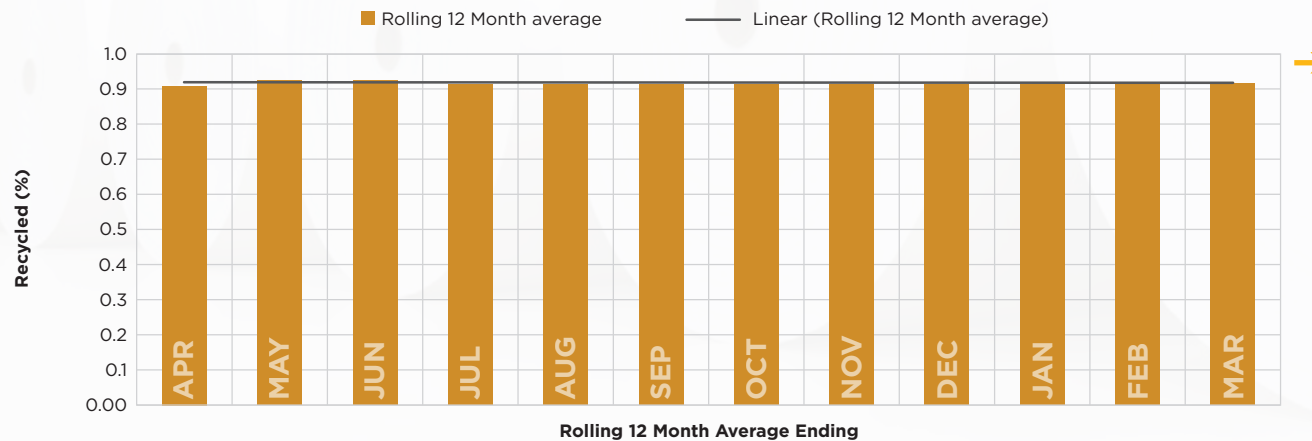
SUSTAINABILITY GOAL 12: RESPONSIBLE CONSUMPTION AND PRODUCTION



Water Usage/TSM



Waste Recycling Percentage



Month	KPI 7	KPI 8
	2023/24	2023/24
	Rolling 12 Monthly Average	Rolling 12 Monthly Average
Apr	0.42	0.91
May	0.45	0.92
Jun	0.46	0.92
Jul	0.46	0.92
Aug	0.47	0.92
Sep	0.49	0.92
Oct	0.49	0.91
Nov	0.50	0.92
Dec	0.50	0.92
Jan	0.51	0.91
Feb	0.52	0.92
Mar	0.49	0.92

The 20% increase in water usage during 2023/24 reminds us that we need to examine water reduction strategies. This year we will invest in water reduction technologies whilst recognising a need to replace our steam generators for more efficient units in the very near future.

We persist to explore more environmentally friendly opportunities for the 8% of waste that currently does not feed into a recycling stream, and we proudly continue to remain zero waste to landfill.



SUSTAINABILITY GOAL 13: CLIMATE CHANGE

Take urgent action to combat climate change and its impacts.

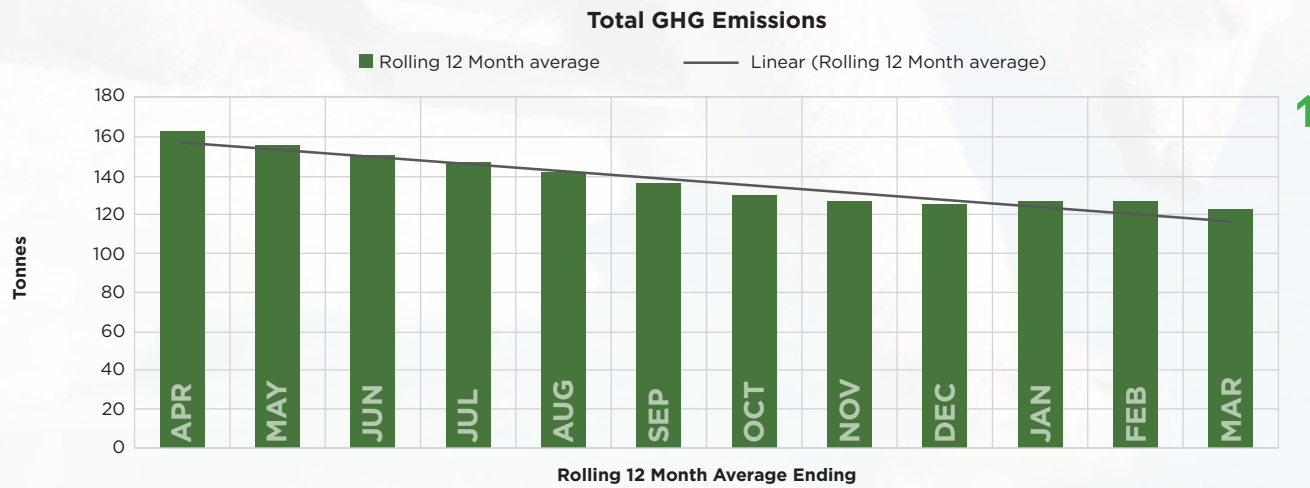
- 13.2** Integrate climate change measures into national policies, strategies and planning.
- 13.2.2** Total greenhouse gas emissions per year.



ELECTRICITY FROM 100% RENEWABLE SOURCES.

YEAR ON YEAR REDUCTION IN GHG EMISSIONS, WITH A 50% REDUCTION BY 2030.

SUSTAINABILITY GOAL 13: CLIMATE CHANGE



KPI 9 2023/24

Month	Rolling 12 Monthly Average
Apr	162.35
May	155.28
Jun	149.25
Jul	145.82
Aug	140.74
Sep	135.01
Oct	128.93
Nov	125.65
Dec	124.74
Jan	125.08
Feb	125.69
Mar	121.83

We are proud of our total greenhouse gas emission reduction. A 30% reduction in CO2 emissions over 2022/23 and into 2024 means we remain on track to attain our target of a 50% reduction by 2027.



SUSTAINABILITY GOAL 15: LIFE ON LAND

Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably managed forests, combat desertification, and halt and reverse land degradation and halt biodiversity loss.

15.2 By 2030, promote the implementation of sustainable management of all types of forests, halt deforestation, restore degraded forests and substantially increase afforestation and reforestation globally.

15.2.1 Progress towards sustainable forest management.



INCREASE THE PROPORTION OF FSC PAPER IN OUR SUPPLY CHAIN.

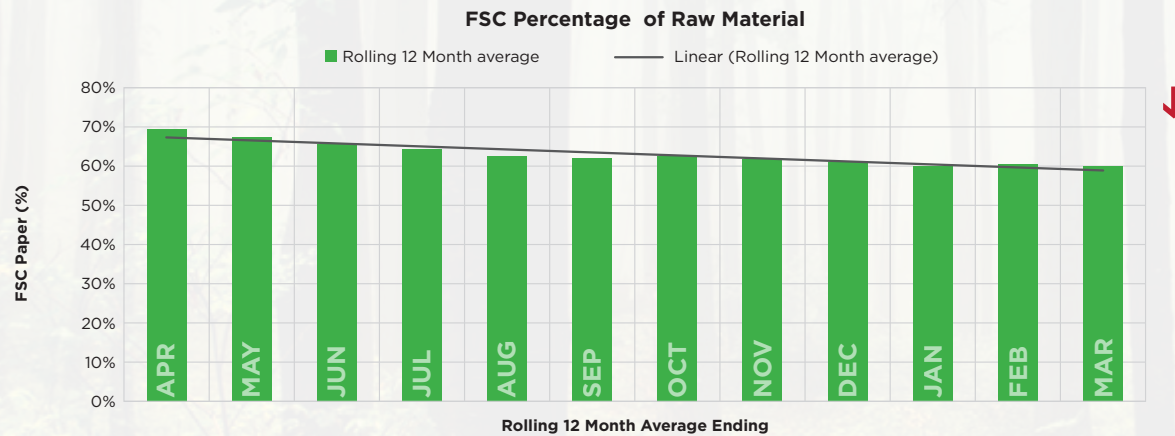
SUSTAINABILITY GOAL 15: LIFE ON LAND



KPI 10 2023/24

Month	Rolling 12 Monthly Average
Apr	70%
May	67%
Jun	66%
Jul	64%
Aug	62%
Sep	62%
Oct	63%
Nov	62%
Dec	61%
Jan	60%
Feb	61%
Mar	60%

We advocate and promote a supply chain that includes 100% FSC sourced materials. Commodity market sectors in the current economic climate remain less likely to be FSC Certified. We continue to champion sustainable business practices within our supply chain and customer base, seeking to optimise cost and opportunity whenever we can.



OUR JOURNEY TO DE-CARBONISATION

Tullis Russell's Sustainability Report shares the areas we are targeting at the start of our sustainability journey.

As we go forward, we aim to:



Report our progress in a transparent way, tracking our emissions and progress towards our targets.



Continue our ambitious emissions reduction through de-carbonisation solutions using existing and emerging technologies and improving energy efficiency.



Investigate and action sustainable strategies in the target areas of Supply Chain, Energy usage, Travel and Waste solutions.



Promote the Circular Economy with the focus on reducing production waste and increased recycling, to protect finite natural resources.



Focus and understand our Scope 3 Emissions and how we can positively impact them through collaboration with our Supplier and Logistic partners.

OUR SUSTAINABLE ACTIONS

According to the world economic forum, business investment in sustainability initiatives remained flat between 2022 and 2023 and represented less than 1% of total revenue for businesses in 2023. At Tullis Russell we have ambitions to be the world's leading coating company, naturally that means going further than anyone else. This year, in our second sustainability year, we will be committing over 1% of our revenue to eco-innovation projects, designed and selected specifically to accelerate our efforts to meet our short and long term sustainability goals.

EV CHARGING POINTS

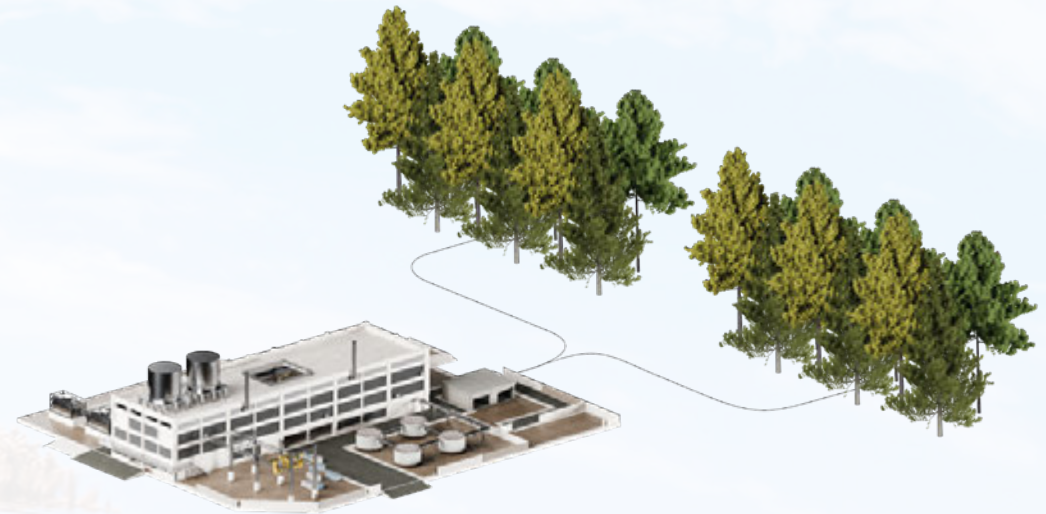
We recognise the benefits of electric vehicles to the environment, and believe owning one is positive step in reducing your own personal impact on the environment. 66% of our company vehicles are now also electric.

WHAT ARE WE DOING?

We promote electric vehicle ownership and have taken the step to install two 22kw EV chargers in our visitor parking bays.

WHAT DOES IT MEAN?

The charging points are free and complimentary to use for customers, suppliers and partners who visit us.



TREE PLANTING

Planting trees will help reduce our carbon footprint by absorbing carbon dioxide from the atmosphere over the life of the tree.

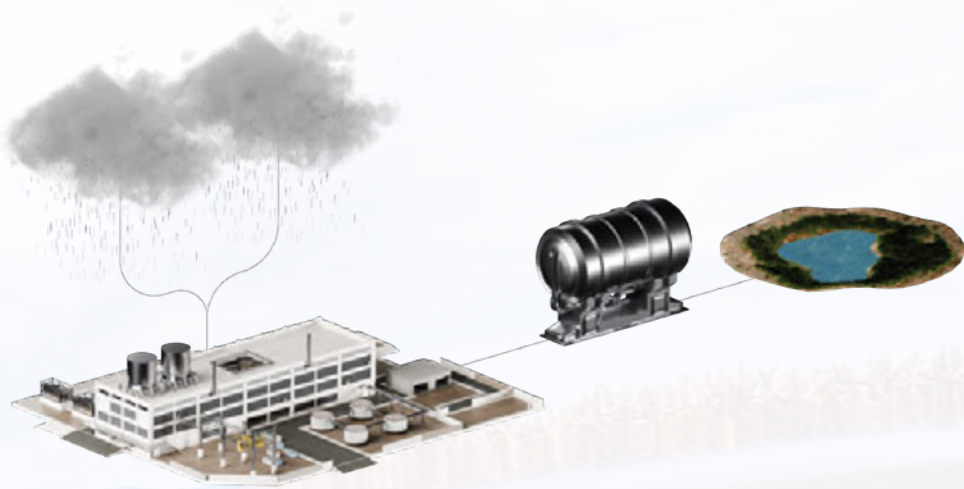
WHAT ARE WE DOING?

We are partnering with the Woodland Trust to plant 900 trees, including oak, birch, hazel, blackthorn, rowan, alder, willow, crab apple, dog rose, wych elm, and lime. These trees will be planted across 11.5 acres of land owned by Tullis Russell, located opposite our site, during the winter of 2024.

WHAT DOES IT MEAN?

This will enhance the sustainability of our business and have a positive benefit on CO2 reduction in the environment.

OUR SUSTAINABLE ACTIONS



PROCESS WATER HARVESTING

It is typical for SME manufacturing businesses to use millions of litres of water a year producing goods, and we are no different. We aim to reduce not only our water consumption per TSM but also our reliance on our existing sources. We believe that we can become self sufficient, this year we will implement a three year capital investment plan to harvest and abstract natural water onsite.

WHAT ARE WE DOING?

Over a 3 year period, we will install rainwater and river water harvesting technologies, diverting water to storage vessels across site for use in our manufacturing process of coated papers.

WHAT DOES IT MEAN?

By end the investment period, 92% of all manufacturing process water will be harvested from within our own site.



LED LIGHTING

Continued investment in our factory is critical to business performance, adequate lighting with well lit production areas create a safer working environment, is good for our employees and promotes efficiency. LED lighting is one of the most energy efficient and environmentally friendly lighting technologies on the market, requiring less energy per lumen than conventional filament or fluorescent technologies.

WHAT ARE WE DOING?

We have a program to replace light fittings throughout our manufacturing areas with an LED equivalent

WHAT DOES IT MEAN?

We are serious about reducing our carbon footprint. By 2025 all lighting, that's every single light source in our factory, will be low energy, sustainable LED lighting.

OUR SUSTAINABLE ACTIONS

INTELLIGENT ENERGY MEASUREMENT

If you cannot measure it you cannot improve it, and that principle is the driver for better energy measurement within our factory operations. Manufacturing is generally energy intensive and our process is no different from many other manufacturers in the paper and paper coating industry.

WHAT ARE WE DOING?

We are installing 20 intelligent electrical energy meters at machine level through every major manufacturing process. Unlike traditional meters, our meters are automation devices connected and communicating real-time across our automation and SCADA networks.

WHAT DOES IT MEAN?

Not only will every operator have real-time visibility of energy consumption on their own machines, but our data collection servers will also archive energy usage at the machine level.

We can make better short and long term sustainable business decisions underpinned by extensive energy consumption data.



EMPLOYEE ENGAGEMENT

We are proudly employee owned and the story behind Tullis Russell is what makes us different. With over 200 years of history behind us our sights are fixed on the next 200 years and beyond

WHAT ARE WE DOING?

An employee volunteering policy is to be implemented to facilitate staff that want to engage in CSR Projects in the community. Core to the policy is:

- All employees are eligible to participate in volunteer activities and will be allowed paid time off to positively contribute to the local community
- Tullis Russell will commit to supporting worthy projects in the local community with participation from volunteers within our workforce

We are committed to increasing the number of employees undertaking training courses

WHAT DOES IT MEAN?

We strive to be a good corporate citizen and contribute to the socio-economic development of the communities we work in. We recognise our responsibility to work in partnership with communities, and want to go further to bring our employees, our neighbours and community friends closer together through new policy introductions.





GLOSSARY

TSM

Thousand Square Metres; the metric by which we measure finished product.

kWh

Kilowatt Hour; the measure of how much electricity is used every hour.

CO₂e

Carbon Dioxide equivalent; the number of metric tons of CO₂ emissions with the same global warming potential as one metric ton of another greenhouse gas.

GHG

Greenhouse Gases; the gases in the earth's atmosphere that trap heat.

FSC®

Forest Stewardship Council®; an international non-profit, multi-stakeholder organisation that promotes responsible management of the world's forests via timber certification.

Scope 1 Emissions

Emissions from sources that an organisation owns or controls directly.

Scope 2 Emissions

Emissions that a company causes indirectly and come from where the energy it purchases and uses is produced.

Renewable Energy

Energy derived from natural sources that are replenished at a higher rate than they are consumed.

GDP

Gross Domestic Product: a monetary measure of the market value of all the final goods and services produced in a specific time period by a country or countries.

CSR

Corporate Social Responsibility.

SME

Small to Medium Enterprise.

LED

Light Emitting Diode.

**TO LEAVE FOOTPRINTS
IN THE SAND NOT SCARS
ON THE PLANET.**



**WORLD
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TRUST™**

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