



BALTO print

Year of scope: 2021

BALTO print annual report

on Quality management, Corporate Social Responsibility,
Environmental Protection and Sustainability



BALTO print is a trusted, traditional book printer with 26 years of experience in the trade. We have grown organically with our customers who value our quality, service and reliability that has led to long standing partnerships and a shared social responsibility. In fact, BALTO print, the place where books are born, is a big family of more than 240 dedicated professionals who take pride in helping our customer's books to be born and to look perfect. Each stage in the life cycle of a book at BALTO is carefully managed to help to create beautiful products for excited readers and to bring them wonderful quality and unexpected emotions!

Bringing a book to life involves going the extra mile where every employee is invested in sustainable processes and procedures. At our core we are driven to care for our world and respect for reducing our impact on the environment through careful management of integrated systems and ethical responsibility.

Our family, BALTO print, takes care at each stage in the process of manufacturing your books, and we invite all our partners to share this aim and to take effective actions to assure that our future generations will enjoy their books in a cleaner more sustainable world.

This report is a summary on how we pursue this challenging goal and we hope it will motivate others to take similar responsibility.

Quality management

Taking care of the details requires standard procedures, measuring tools and approved references, knowledge and care.

Our way to provide high-class quality includes:

- We are proactive in understanding and meeting our customers' requirements and needs.
- We rely upon a carefully chosen supply chain of long-term professional partners, suppliers and subcontractors. We ensure stability of product quality using only reliable and tested raw materials for the production of books.
- We continuously improve our processes: we learn from every order, we empower our employees to share their ideas and to implement them. We also make them an active part of our process improvement teams (Kaizen, PDCA, management and others).
- We are a committed total solution printer, collaborating as a reliable long-term partner. By sharing our vision and experience in quality we hope to benefit the wider community.

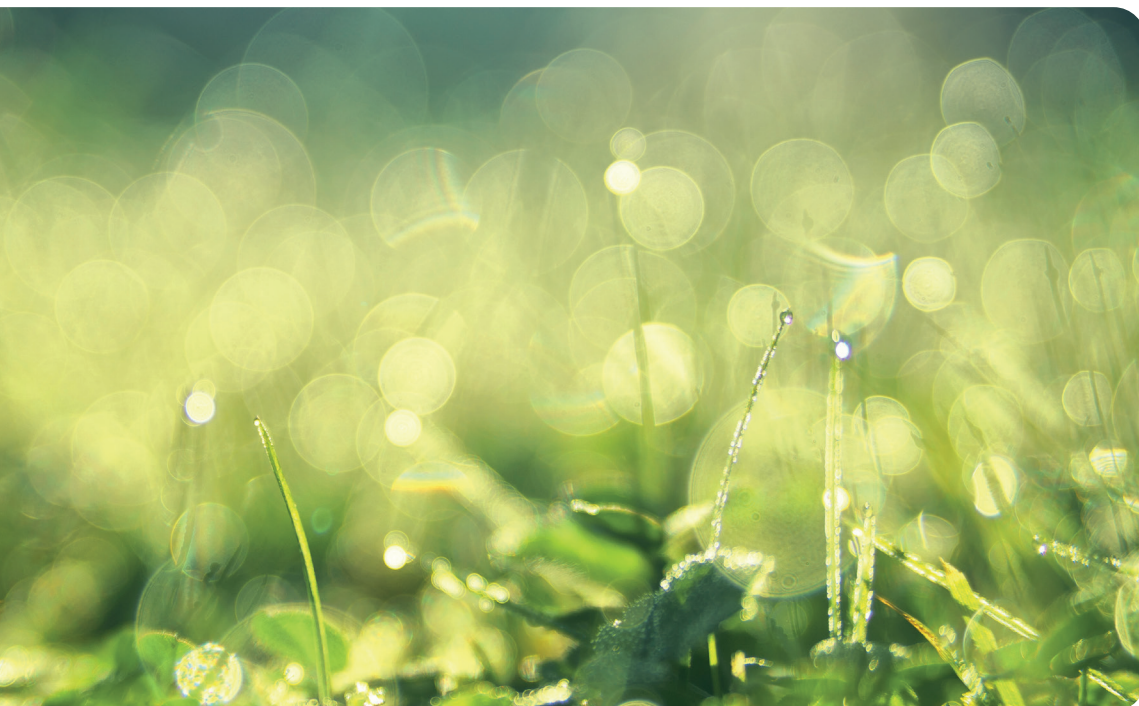
We work according to the highest standards and are certified:

1. ISO 14001: Environmental management certification. Nr. SRS19/073
2. ISO 9001: Quality management certification. Nr. SRS19/073
3. ISO 45001: Occupational health and safety. Nr. SRS19/073
4. FSC: Chain of Custody certification. Nr. C107574
5. All our materials comply with REACH European standard for the use of chemicals.
6. We assure full traceability of raw-materials used in our production. If needed, BOM (Bill Of Material) will be provided.
7. CarbonPartner: as we can measure the CO2 footprint of our printed jobs, we can help our customers in the process of offsetting such footprint and receiving official carbon free product's certification.

Corporate Social Responsibility

Health and Safety: it is our responsibility, in the first place, to take care of all our employees.

1. We make sure our employees have a Safe and Ergonomic working place.
2. During 2021 we have created a special task force group to be prepared to act in case of natural disaster, providing them with risk assessment, actions plans and resources. We have also trained 100% of our employees in prevention and reaction in case of floods, fire, accident, and nuclear disaster.
3. We also provide administrative staff with broadened possibilities to work from home (with trustworthy information security).
4. Each year, we have complete training for all our employees on fire safety procedures including how to identify and act if there is a fire threat and how to extinguish it.
5. We have a doctor visiting the company once a year to make sure all employees have the opportunity to have a personal consultation on their own health and ergonomics issues.



Environmental Protection and Sustainability

We have defined our Corporate policy on the protection of the environment (see at the end of the document), which is applied through an Environmental Strategy in 4 areas of environmental care.

This Corporate policy is applied through a defined strategy which calls for action in 4 areas of special focus:

Commitment: Corporate policy on the protection of the environment

Definition of Strategy and Deployment			Implementation
We measure the impact of our activity into the environment	We invest into more eco-friendly processes	We communicate with our Customers and our Employees	4 areas of special focus
Since 2018 we follow: <ol style="list-style-type: none"> 1. electricity and water consumption; 2. paper, metal and other waste; 	From 2017.08 to 2019.12 100% of our electricity was from renewable sources. In 2022 we are signing a long term contract for the purchase of energy 100% green.	We emphasize the importance of choosing substrates and packaging with lower CO2 footprint. Our "standard & preferred substrates" have a very low CO2 footprint per ton.	<ol style="list-style-type: none"> 1. Electricity 2. Water 3. Waste reduction & management 4. CO2 emissions reduction
Since 2019 we calculate our Scope 1 & 2 of our GHG emissions with the help of external partners.	Since 2019 we have invested 6,5 mln € into more efficient and modern technologies which is helping us to reduce our GHG emissions.	Early next year (2022) we plan to offer to our Customers the possibility of offsetting the CO2 footprint of their printed jobs.	
At the beginning of 2022 we plan to be able to offer our customers the opportunity to know the CO2 footprint of their printed jobs.	We are planning further 5 mln € for 2022.	We communicate with our Employees the importance of reducing unneeded energy & water consumption, reducing paper waste and sorting wastes.	

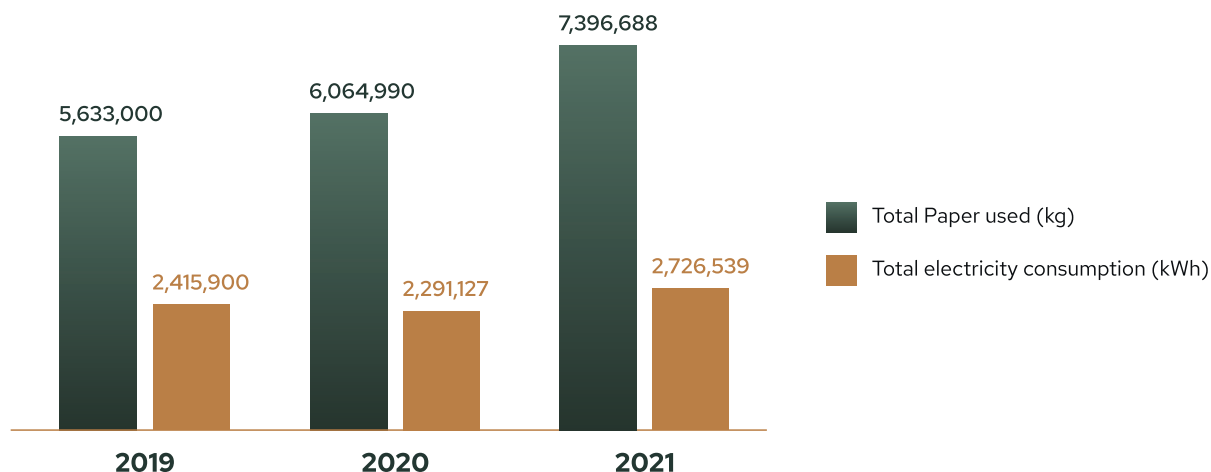
As we explained before, we apply this strategy in 4 main areas of action.

1. Electricity





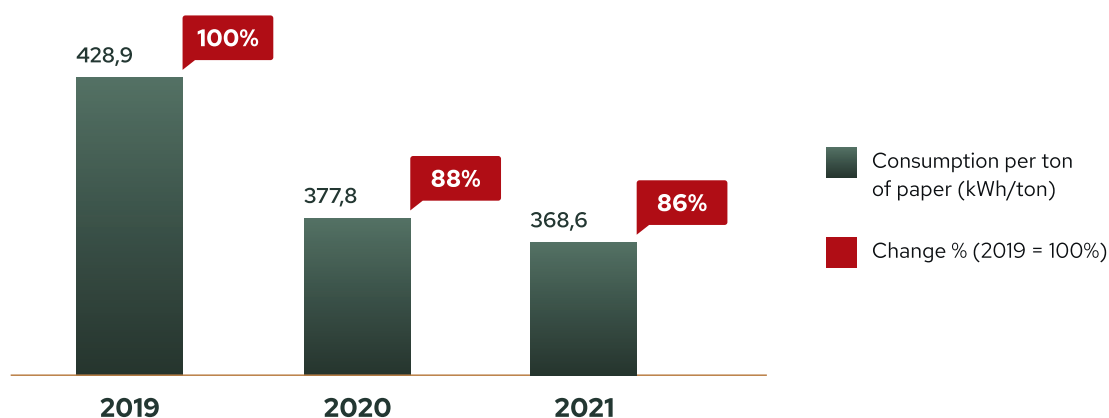
Total Paper used (kg) & Total electricity consumption (kWh)



As a result of the investments we have made, the consumption of electricity has grown at a slower pace and **in the last two years we have reduced the use of electricity per kg of produced book by 14 %.**



Electricity consumption per ton of paper (kWh/ton)

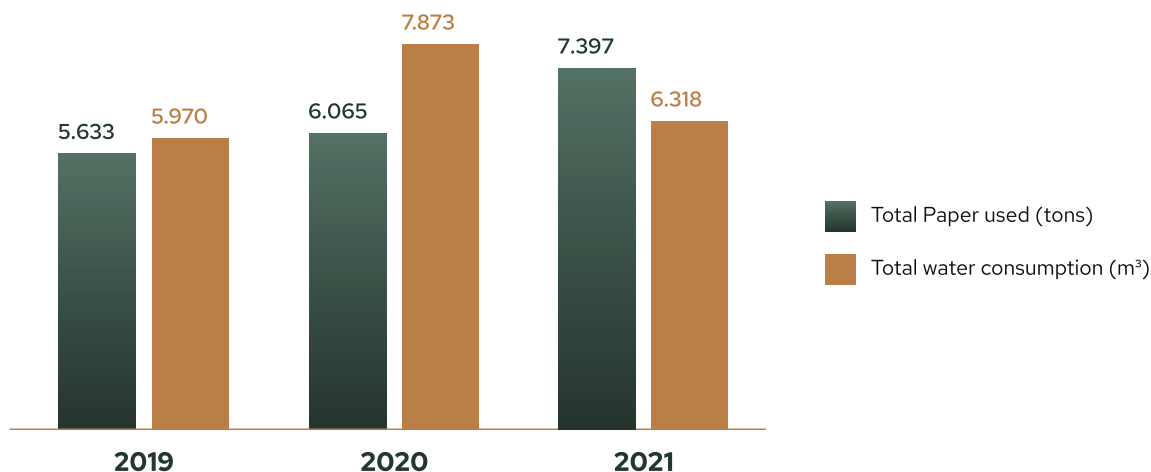




2. Water



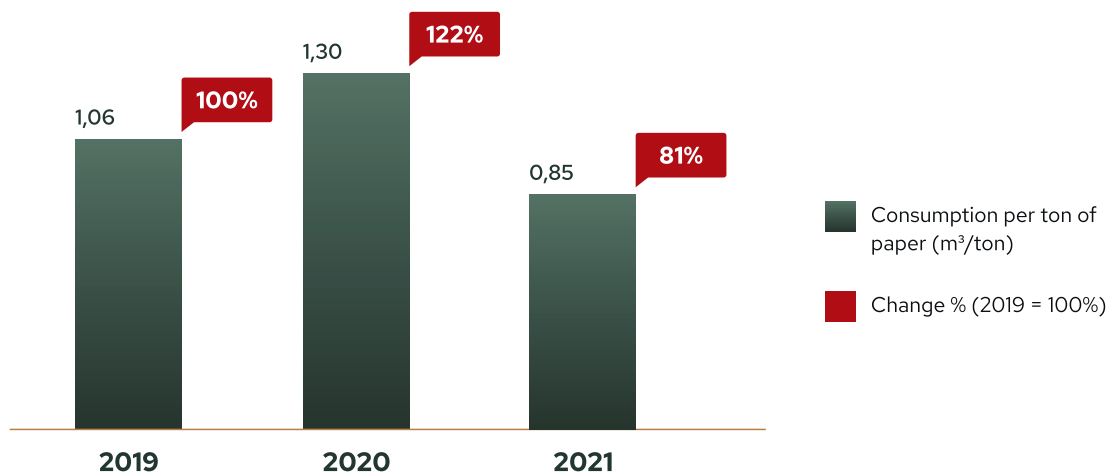
Total Paper used (tons) & water consumption (m³)



We are searching for ways to diminish the use of water in our processes and several closed circuits have been performed during 2020, which included intensive testing. As a result we have found the optimal way to ensure quality at the same time as being more harmonious with the environment and **it allowed us to reduce the use of water by 19%.**



Water consumption per ton of paper (m³/ton)





3. **Waste reduction & management**

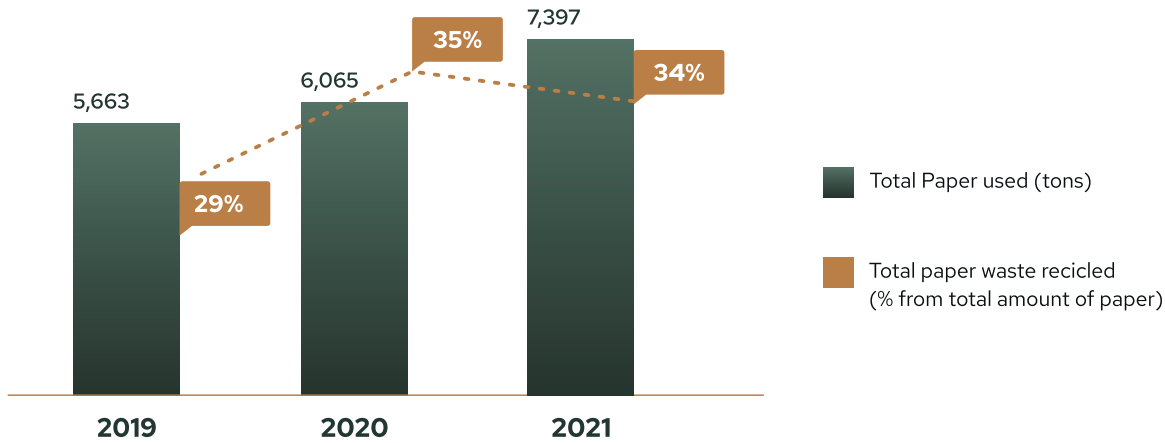
We do our best to minimize paper waste in our book production process.

Although such waste is inevitable due to the characteristics of the technological process, we control and try to reduce it according to the BPA (Best Practice Available). Among others, we undertook these actions:

- Standardisation of processes. Once a process is improved, we standardise it so every operator from any shift can achieve the same result without needing an extra quantity of paper.
- Improved training for new employees. This action helps us to prepare new operators faster, resulting in lower need for raw materials during training.
- Continuous training for best practice sharing among operators.
- Lower % of non-conformities helped us to reduce waste.
- We encourage our sales managers to guide customers to choose qualities from our range of standard papers or available paper in our paper stock.



Paper consumption (tons) and % of paper recycled

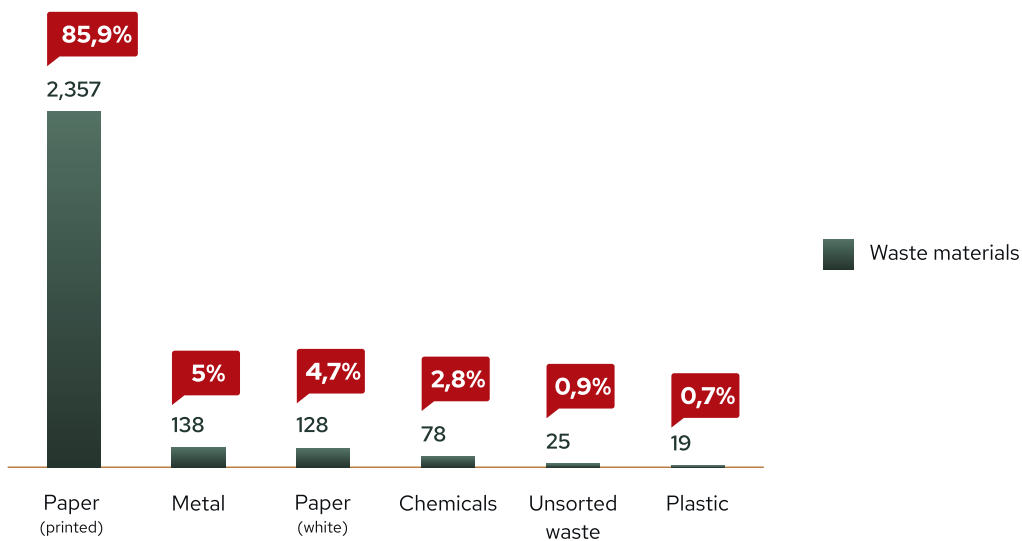


But reducing waste is not enough. We are responsible to sort it in the best way to ensure we maximize the % which is recycled so we protect the environment from unnecessary harm and damage.

We have a strict control of all our waste, which is mainly but not exclusively paper, It looks like this:



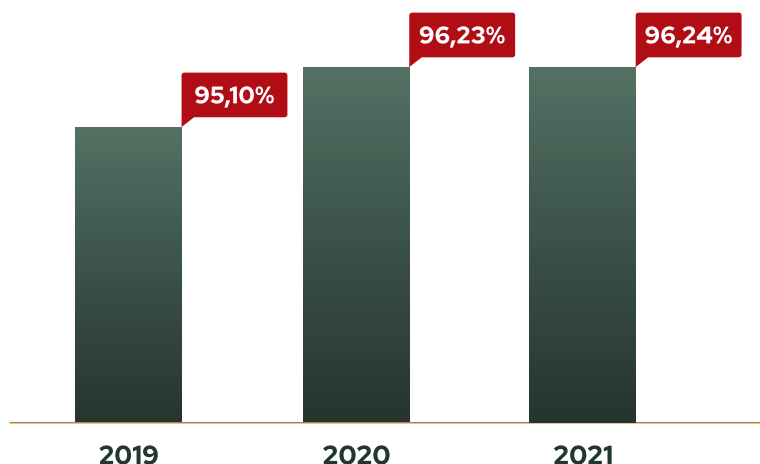
2021 Waste materials (tons)



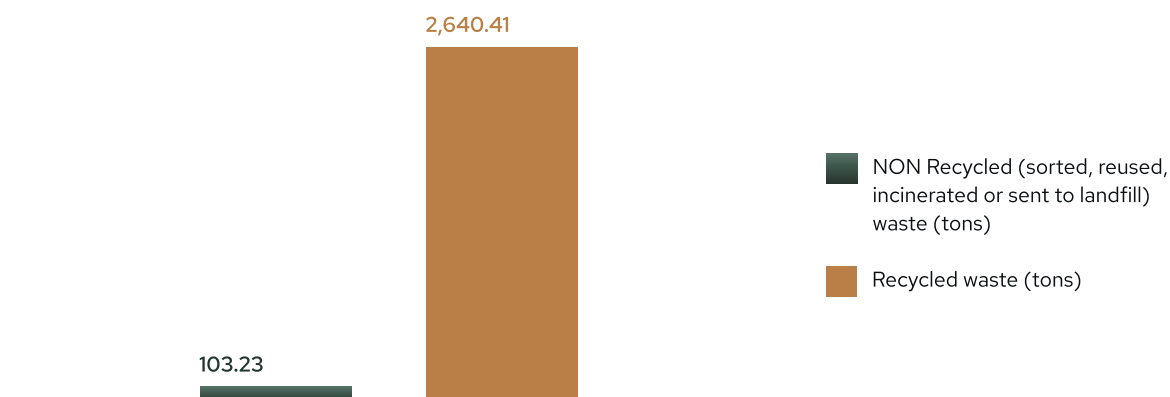
Once the waste is controlled and measured, we have stringent procedures to ensure that the majority of waste is recycled, and the balance is given to appropriate further processes before being disposed of. In the last years **we have increased the % of waste which is recycled by 1,19%:**



2019-2021 waste % which was recycled



2021 Waste (recycled vs non recycled)



4. CO₂ emissions reduction



BALTO print effectively reduces its CO₂ emission

Most of the CO₂ we can control as a book printer is produced by our waste and the use of energy. As a result of our efforts, in the last few years we have reduced the amount of energy (14%) and water (19%) we use to process a ton of paper at the same time that we have increased the % of recycled waste by 1,19%.

	2019	2020	2021	2021 vs 2019
Amount of paper used (tons)	100.00%	107.67%	131.31%	31.31%
Consumption per ton of paper (kWh/ton)	100.00%	88.08%	85.95%	-14.05%
Liter of water/ton of paper	100.00%	122.48%	80.59%	-19.41%
% of waste recycled	100.00%	101.19%	101.19%	1.19%

We have ambitious goals to reduce our CO₂ footprint in the upcoming years:

Our goals for 2022 & 2023 (per year):

1. Reduce electricity consumption by 3%;
2. Reduce water consumption by 3%;
3. Improve sorting of paper waste (white vs printed) by 15%;
4. Reduce the use of acetone and isopropyl alcohol by 10%.

Note: per kg of produced book.

Air pollution is a very important part of the care of the environment, thus we minimise carbon emissions from truck transport:

- Our deliveries are carried out by energy efficient EUROV or EUROVI trucks only.
- Drivers are trained and expected to minimize carbon emissions during transport.
- Transport companies are expected to prefer transport by sea where it is possible and a better environmental choice.
- In order to reduce fuel consumption, optimal routes are planned.
- Almost all our raw-materials are bought from local distributors.

In transportation of goods we also minimize carbon emissions from sea freight transport: when arranging sea freight, we ensure the vessels used fulfill internationally recognized environmental accreditations (e.g. MARPOL 73/78, Clean Shipping Index, Clean Cargo Working Group).

We are working on a complete management of our CO₂ emissions:

Measure

Together with South Pole and ClimatePartner, we have calculated all our CO₂ emissions – from heating our office, to manufacturing, packaging and transporting our products.

As a result of this study, we have found that our CO₂ footprint in 2021 amounts:

- Scope 1+2 = 1.500 t CO₂
- Scope 3* = 8.300 t CO₂

(*) based on statistical calculation.

Offset

Our target is to offset all unavoidable emissions through internationally recognised carbon offset projects from the ClimatePartner portfolio.

Carbon neutral products

In order to help our customers to offset the impact of their books, we have started to work with ClimatePartner and now we are able to measure the CO₂ footprint of every single book and to help each customer in the process of safely offsetting such impact. Our new standard can provide each book with a "Carbon Neutral" label with a unique ID-Tracking number, which helps end customers to understand how and where carbon emissions have been offset.

Avoid, reduce and set targets

We reduce emissions where we can:

- we purchase green electricity,
- improving our energy efficiency
- using low-carbon materials (paper profile)



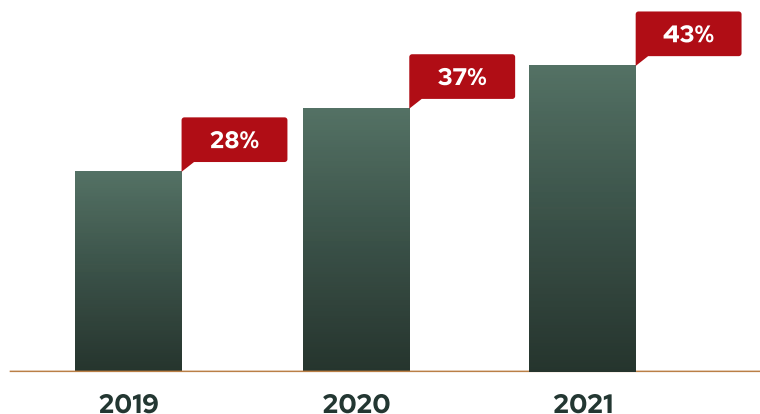
- Available in several languages
- Accounting methodology
- Climate action strategy
- Reduction measures
- Downloadable certification
- Transparent offset order
- Details about offset project

As an important part of such CO₂ management, we are offering our customers two main ways to reduce carbon emissions.

One is the use of FSC certified materials. We encourage our customers to choose paper from guaranteed exemplarily managed forests. BALTO print works with FSC™ (the Forest Stewardship Council™), an international non-profit organization which provides a certification system for forest management and chain-of-custody.

In 2021 at least 43% of all our papers used in production were FSC certified and we are happy to see the number of customers choosing such paper growing!

FSC paper



The other way is to have a large database with PAPER PROFILES and to be able to advise our customers with the best specific substrate for every application. When possible, we suggest choosing a paper with the lowest CO₂ footprint as follows:

- **WFU** – Multi offset (UPM) – 100 kg/t CO₂
- **WFC silk** – Multi art silk (UPM) – 100 kg/t CO₂
- **WFC matt** – G-print (Arctic) – 54 kg/t CO₂

Our certifications

ensure that all our processes meet the international highest standards and we have full traceability of all our resources.



BALTO print Corporate Policy on the Protection of the Environment



BALTO print takes care of the environment. All our business decisions take into account the impact they may have on the environment. As far as it is possible, we avoid (and when it is not possible, minimise) any harmful impact on the environment.



All our employees and business partners must effectively share this aim.



BALTO print complies with all applicable European and Lithuanian legislation regarding environmental protection, including ISO 14001 standard.



BALTO print collaborates with our customers and suppliers in finding environmental friendly solutions applicable to all aspects of our operations.



BALTO print supports responsible forestry as a means of reducing CO₂ in the atmosphere. We are FSC™ certified and we encourage our customers to choose paper from verified sources.



BALTO print actively works to minimize waste and to recycle as much of unavoidable waste as possible. We sort our waste and deliver it to accredited recycling stations.



At BALTO print we audit and measure our achievements towards goals for environmental impact on a yearly basis. Our goals are being monitored to make sure we always are on top of or one step ahead of the development.

Signed,

Artūras Karosas, owner and CEO.

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