

HEXCITE

ESG Impact Report 2022

Target 2025: **Inspiration.**
Innovation.
Transformation.
Preservation.



blaze
BUSINESS SIGNAGE SOLUTIONS

cygnia

ESG STATEMENT 2022

We are pleased to publish **Hexcite's first Environmental, Social and Governance [ESG] Impact Report for 2022**, demonstrating our commitment to environmental stewardship, the nurturing of our employees & community support.



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FOREWORD FROM OUR CHIEF EXECUTIVE OFFICER



WES MULLIGAN, CEO

Hexcite play a leading role in the UK signage industry. Our two companies – Blaze Signs and Cygnia Maintenance – manufacture, install, and maintain signs in multiple markets, with a very strong presence in the retail and essential retail markets.

ESG is important to us and it's also important to our customers. We began our ESG journey several years ago, appointing a dedicated ESG Steering Group to help guide us and to ensure that we free up "thinking and acting time" alongside "the day job". Towards the end of 2021 and into 2022, we began the process of recording and tracking our data in the key ESG areas. This enabled us to understand how we were performing as a business and provided us with clarity on developing an ESG strategy.

When you read our report, you will see how our commitment, focus and engagement with staff, for cultural change, has given us positive progress in a short period of time. Our tracking and recording of our ESG efforts have identified substantial investment across key ESG areas.

HERE ARE JUST SOME OF THE SUCCESSES WE ARE MOST PROUD OF:

- Staff wellbeing, with the appointment of a new HR Manager and introduction of a new health scheme, cycle to work and suggestion boxes.
- The large investment in our Health and Safety management has improved our workflows and continued to offer our valued staff, safe working environments.
- With the installation of our vehicle trackers, we can now track and trace our fleet vehicle data, helping us to work towards reducing our carbon emissions.
- Supply Chain is now managed and streamlined, with the introduction of a new Supply Chain Manager and Purchasing Department, enabling us to work closer with our suppliers on sustainability programmes and good purchasing practices.

We as a business, are still exploring and learning about our ESG responsibilities and how we manage these going forward. As part of our commitment to building a more inclusive and sustainable world, we are investing strongly in Environmental, Social and Governance (ESG) priorities in a way that aligns with our company values. This will require further development of our management systems and will enable continuous improvement of our ESG activities, decision-making, and staff participation.

We are still in the early stages of the process, and I would like to thank all of those who helped make the achievements included in this report a reality, as we strive to make a positive difference in the world through sustainable business practices. We look forward to your continued support and partnership as we shape a more sustainable future together.

ABOUT US

Hexcite is made up of two established, market-leading signage specialists – Blaze Signs and Cygnia Maintenance. Blaze Signs operates two factories, which are situated in Birmingham and in Broadstairs, Kent, with 185 employees in total.

Cygnia Maintenance is also situated in Broadstairs with 81 employees. Our clients benefit from a team of experts across the two businesses, all of whom provide a diverse range of products and solutions with sustainability at the core.

Today we deliver the most impactful brand, communications and marketing touchpoints across the complete retail and business environment. Each business has spent decades becoming leaders in their field. Today we work in unison to deliver a powerful, single-point retail and brand solution that delivers incredible products and experiences. We have completed projects for some of the largest companies in the UK.

MEET OUR CLIENTS

We're trusted by household names across retail, leisure, manufacturing and beyond to create, install and maintain visual branding across the UK and globally.



OUR VALUES



SAFE

We are safe. Health and Safety is a priority in everything we do. Providing a legally, physically and mentally safe space for our employees and others to work in.



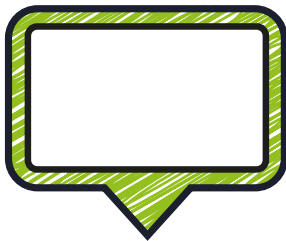
IMPROVE

We constantly improve. We are committed to a continual cycle of review and improvement for all areas of the business.



GOAL-DRIVEN

We are driven by common goals. We set SMART and mutually agreed goals that meet our customer and business needs.



NETWORK

We are a network. We collaborate and communicate as a network. We work together as one team.



SERVICE

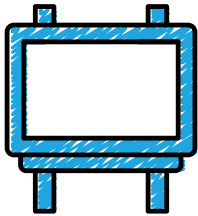
We offer timely and high-quality customer service. Every day is about exceeding expectations for our customers and each other.

OUR VISION



MODERN EFFICIENT OPERATIONS AND A GREAT PLACE TO WORK

- Implementing and measuring High Employee Engagement
- Delivering high value, low waste, sustainable business processes
- Providing Premium facilities aligned to brand
- Being a growth focused, profitable business that will providing opportunities for customers and employees alike

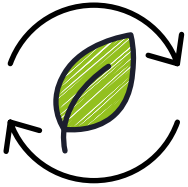


LEADING UK BASED PREMIUM SIGNAGE COMPANY

- Maintaining a dominant market position with defined brands
- Delivering high customer satisfaction
 - Manufacturing Industry leading quality signage
 - Offering reliable and timely delivery
 - Communicating responsively and clearly



HIGHLIGHTS



The pandemic shone a light on ESG issues like never before, which has only solidified our **commitment to operate in a sustainably responsible way**. In this past year, we've continued to show considerable progress – a testament to our dedication, hard work, and innovative approaches to making a difference.



We have worked to **improve our social impacts**, with the introduction of an HR manager to support our workforce wellbeing, and a variety of projects to support the communities we operate in.



During 2022 we have addressed a **broad range of sustainability issues**: we have made further strides in understanding and reducing our energy use, as well as gaining greater insight into what happens to our waste. During the second half of the year, Health and Safety was our top priority; we are delighted with the progress made and this will continue into 2023.



Our objective remains clear:

- **To reduce our impact**
- **Create equitable solutions**
- **Take care of our employees**
- **Drive broader change within the industry and our communities.**



Environment

0%

Waste-to-landfill
in 2022

24 %

Drop in gas usage
since 2019

We've introduced dashboards for both gas and electric to track and monitor our usage levels. Understanding and tracking energy usage has been eye-opening for the team. It allows us to identify areas of energy waste and target specific behaviours or equipment that may be contributing to the waste. By tracking energy usage, we get a clear picture of how much energy we are using and when we are using it, which has helped identify patterns and opportunities for improvement. For instance, we identified opportunities to reduce energy consumption by

- Switching off factory ovens off overnight, has contributed to a 24% drop in gas usage since 2019
- Introducing LED and intermittent lighting throughout the buildings

WASTE MANAGEMENT:

In 2022 we achieved 0% waste-to-landfill – all the waste from Blaze's operations was diverted from landfill in 2022



Social

In 2022,
we raised
£985

We designed and installed signage for local charity East Kent Mencap

We launched social initiatives within our workforce, in our community and also with our suppliers.

OUR PEOPLE:

To better understand the workplace issues facing our colleagues, and to identify opportunities for developing our workplace culture, we launched the We Thrive Annual Employee Survey

We also Introduced the Company's first healthcare plan

OUR COMMUNITY:

we supported a broad range of charities that our colleagues are passionate about including

Christmas Jumper Day:

we raised £200.00 for local Education Authority and Charity "Thanet Early Years".

World Prematurity Day:

We raised £100.00

Acorns Childrens Hospice:

We raised £685.00

Supporting mental health:

we designed and installed signage for local charity East Kent Mencap

Supporting veterans:

we designed and installed a Plaque of Remembrance for Westgate on Sea Town Council for a B-24 Bomber Memorial Plaque

OUR SUPPLY CHAIN

we sent a survey to our top-tier suppliers, to explore their experience and understanding of sustainability issues





Governance

We understand the importance of good governance in ensuring we have sound business practices that are aligned with sustainable business practices and long-term success

- Third Party Health and Safety Audit completed including full-site reviews
- Health and Safety Policy overhauled and in collaboration with an external H&S specialist Safety Management Solutions Ltd
- IOSH Training conducted with senior management



OUR 2023 ESG GOALS

We are making great progress on raising awareness and understanding of how we can make a difference on ESG matters. Our 2023 goals are even more ambitious, across all 3 areas of ESG and, for the first time, are linked to the Sustainable Development Goals (SDGs).

The United Nations 17 Sustainable Development Goals (SDGs) provide a global framework and are our world’s call to action on the most pressing challenges and opportunities facing humanity and the natural world.

Aligning with the SDGs in the right way shows that we understand the context of our desired impact and our role in the greater global effort for specific impact areas. Social impact has become a centrepiece in business strategy. Business needs positive engagement from people to do well.

In addition to these goals, we have also set ourselves an ambitious target of raising £2,000 for charities located locally to our offices - we will be giving our staff the opportunity to suggest appropriate charities.

OUR COMMITMENT TO THE ENVIRONMENT

Sustainable Development Goals (SDGs) on this page:



| SDG and Target | Our Goal | KPI |
|---------------------------|--|--|
| SDG 12 Target 12.5 | Understand Cygnia waste outputs | Record and track Cygnia Waste by the end of 2023 |
| SDG 13 Target 13.2 | Switch to a 100% green energy tariff | This would save 191 tonnes of carbon dioxide equivalent (tCO ₂ e) (using 2022 usage) if commercially viable |
| SDG 13 Target 13.2 | Install vehicle telematics on all fleet ¹ | Establish current tCO ₂ e by the end of 2023 3% reduction in tCO ₂ emitted by the end of 2024 |
| SDG 15 | Community Days – litter Picking | 15 staff to be involved during each session 4 x 2-hour sessions across next 12 months |

¹ Telematics provides a digital blueprint of every aspect of a vehicle’s operation, helping fleet managers understand where improvements can be made in accident prevention measures and driver safety standards

OUR COMMITMENT TO OUR PEOPLE

Sustainable Development Goals (SDGs) on this page:



| | | |
|-------------------------|---|---|
| SDG 8 Target 8.6 | Set up Blaze Academy – an academy for trainees and apprenticeships | We are aiming for 5 trainees or apprentices to be in place by the end of March 2024 |
| SDG 4 Target 4.2 | Staff to aid local schools by conducting reading sessions | 42 hours to be provided to local school |
| SDG 3 Target 3.4 | Working Environment improvements captured by employee feedback pulse survey scores. These are run quarterly. Blaze currently working but Cygnia to be introduced this year. | Increase employees environmental feedback score in pulse survey for Blaze and Cygnia increase positive scores by 10% by the end of Mar 2024 Also use Employee Net promoter Score as a measure for pulse survey min 50% score target. |
| SDG 3 Target 3.8 | Improvement of healthcare | Distribute 1 healthcare newsletter advice per month, promoting Simply Health Benefits, health awareness days and suggestions for healthy living. Create another newsletter based on Menopause awareness and support, |
| SDG 8 Target 8.8 | Investment of £100 k for Health & Safety for 2022/23 throughout the business. | H&S Training: 261 staff in total. Accidents: Overhaul and improvement on all accident reporting to the business. Introduction of more user-friendly processes and forms. To be in place by September 2023 |
| SDG 8 Target 8.2 | Develop staff intranet to enhance internal communications | Staff to be able access all Company Polices and Compliance Documents by end 2023 |
| | Provide HR system for online management of holidays and sick days | Aim for 100% of all staff (260) to be added to the system with logins and using to book holiday by end of March 2024 |
| | Companywide training and development plans | HR employee data and training records moved from paper to online system by end of March 2025 |



OUR PLANET:

HEXCITE'S CARBON FOOTPRINT

Calculating our carbon footprint is an effective way to monitor and reduce our emissions in line with recommendations from international climate advisory groups and the UK government's target to achieve Net Zero across all sectors by 2050.

The first stage is to measure and monitor our greenhouse gas emissions through legislated processes such as Streamlined Energy and Carbon Reporting (SECR) and the Energy Savings Opportunity Scheme (ESOS).

Having established our baseline year for Scope 1 & 2 emissions (and scope 3 business-related car travel) in 2019², we now have a benchmark against which we can measure and evaluate the success of subsequent efforts to reduce our impact. These measures include the use of more energy-efficient technologies, changing behaviours to choose more energy efficient options, and changing the means of transport to choose more sustainable travel methods.

During 2020, as with most businesses, the COVID-19 pandemic hampered our operations, which is resulted in a significant dip in our carbon footprint when compared to 2019.

² Scope 1 Emissions - are direct greenhouse (GHG) emissions that occur from sources that are controlled or owned by an organisation (e.g., emissions associated with fuel combustion in boilers, furnaces, vehicles)

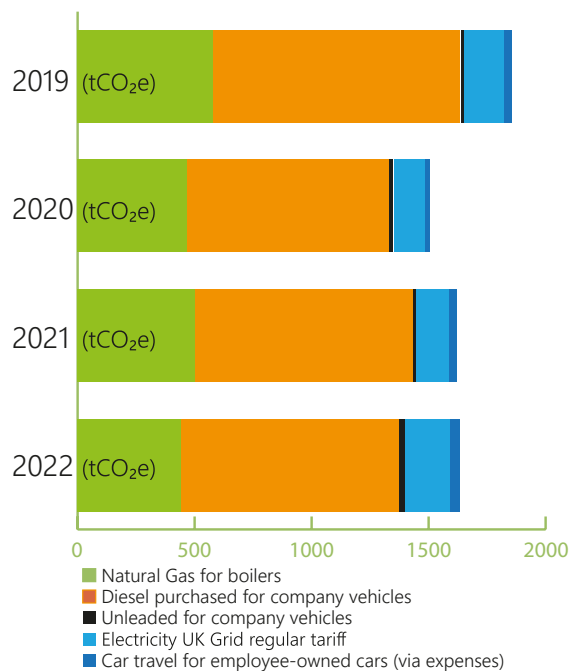
Scope 2 Emissions - are indirect GHG emissions associated with the purchase of electricity, steam, heat, or cooling. Although scope 2 emissions physically occur at the facility where they are generated, they are accounted for in an organisation's GHG inventory because they are a result of the organization's energy use

Scope 3 Emissions – are emissions are the result of activities from assets not owned or controlled by the reporting organisation, but that the organisation indirectly affects in its value chain

Goals:

- **Vehicle Fleet: the installation of vehicle telematics throughout entire fleet to record fuel usage and carbon emissions**
- **Carbon Offsetting: we intend to begin tree planting in local communities**

Total carbon emissions



While we have seen a slight increase following the easing of COVID-19 restrictions, we have nevertheless maintained an overall reduction in our greenhouse gas emissions. In 2022 we saw a total carbon (location-based) carbon emissions of 1633.87 tonnes of CO₂e, (tCO₂e), which is a 12% reduction from our 2019 baseline of 1855.99. Not only have we seen a reduction in carbon emissions but there has been a shift in the proportions of the sources of our carbon emissions. In 2019, natural gas for boilers produced 31% of all emissions but by 2022 this had fallen to 27% of all emissions. This has been achieved through a combination of turning ovens off at night, switching away from gas intensive machinery and behavioural changes, such as turning thermostats down.

Although our overall diesel use has dropped by 12% from 1055.17 to 928.77 tCO₂e, it still accounts for 56% of total emissions and is an area of focus in 2023. We have investigated whether we should switch to electric vehicles for business travel, but unfortunately, currently, they are not suitable for our business. Our vehicles are sent out every day fully loaded with heavy materials and the charge on the battery is not long enough for the routes.

As part of our efforts to better understand our energy consumption patterns, we will be installing vehicle telematics throughout the entire fleet to record fuel usage and carbon emissions in 2023.

Carbon intensity ratios (Hexcite’s intensity ratios are location based³)

| Activity | 2019 | 2020 | 2021 | 2022 | 2019-2022 % change |
|--|-------|-------|-------|-------|--------------------|
| Tonnes CO ₂ e per tonne of substrates purchased | 11.32 | 9.37 | 4.85 | 6.05 | -47% |
| Tonnes CO ₂ e per £ million sales revenue | 81.03 | 64.7 | 73.41 | 61.66 | -24% |
| Tonnes CO ₂ e per m ² footprint of buildings | 0.043 | 0.035 | 0.037 | 0.038 | -12% |
| Tonnes CO ₂ e per full time employee | 6.82 | 5.59 | 6.62 | 6.19 | -9% |

³ Location-based emissions: calculates emissions based on the emissions intensity of the local grid area where the electricity usage occurs

An intensity ratio is a way of defining our gross emissions data in relation to an appropriate business metric, such as tonnes of carbon for every £m of turnover or tonnes of carbon per m² footprint of buildings. This allows us to compare our performance over time and accounts for jumps (and slumps) in sales and growth. With continued growth and expansion on the horizon, if our emissions increase less than our revenue increases each

year, we will stay on course to achieve our carbon reduction targets. We are therefore pleased to see a 24% decrease in our gross emissions intensity ratio, against the 2019 baseline (16% reduction in the past year).

This ultimately means we are emitting less carbon to provide our service, an early indication that our efforts are working!

OUR ENERGY USE: A DIVE INTO HEXCITE'S ENERGY USE

Energy use across business

| Activity | Scope | Unit | 2019 | 2020 | 2021 | 2022 |
|--|-------|------|--------------|--------------|--------------|--------------|
| Natural Gas for boilers | 1 | kWh | 3,151,750.00 | 2,556,687.00 | 2,737,230.00 | 2,415,124.00 |
| Diesel purchased for company vehicles | 1 | kWh | 4,384,817.52 | 3,576,219.86 | 3,856,561.93 | 3,859,552.26 |
| Unleaded for company vehicles | 1 | kWh | 62,161.66 | 83,443.63 | 62,600.32 | 111,315.82 |
| LPG/Propane for company vehicles | 1 | kWh | 2,796.40 | 2,796.40 | 4,567.50 | 5,024.25 |
| Electricity UK Grid regular tariff | 2 | kWh | 663,262.00 | 571,099.00 | 611,844.00 | 817,610.00 |
| Car travel for employee-owned via expenses | 3 | kWh | 122,879.36 | 64,078.23 | 110,007.36 | 145,828.85 |
| Total | | | 8,387,666.94 | 6,854,324.12 | 7,382,811.11 | 7,354,455.18 |

We are focused on using less energy across our operations, beginning with how we design, operate, and maintain our equipment and processes. To closely monitor our usage, an energy dashboard provides us with visibility of our current and historical energy consumption and costs.

We have reduced total energy usage across the business by 12% since our 2019 baseline, however, perhaps more striking is our 23% reduction in

natural gas use. A continued goal is to move away from natural gas to electrical alternatives.

This reduction has been due to advanced LED technologies which deliver brightly lit signs with minimum energy; and efficient planning which reduces the use of energy used during installation and maintenance projects. Behavioural change in offices and the factory floor has also contributed to the sharp decline.

CYGNIA MAINTENANCE

CUSTOMER CASE STUDY

OUR CHALLENGE

Our client was a national retailer with an estate of 50 sites, they required a refresh of existing signage that delivered both energy savings and visual improvement

PROJECT DELIVERY

Our teams completed the project on time, out of hours with zero disruption to trading. Both low level and high-level LED sign conversion installations were made to replace standard fluorescent tubing and improve both the service life and appearance of the signs over time. The LED's installed do not contain mercury or phosphorous so will not harm the environment if damaged

RESULTS

Energy consumption of signage across the estate was reduced by 89%. Typical saving per sign per annum £1,562 Total saving per annum £78,100. A sustainable conversion with a full warranty period applied.

Goals:

- **100% Renewable Energy (gas and electricity) Tariff - this will save us 191 tCO₂e (based on 2022)**
- **Continue to use energy dashboard to impact behavioural change**
- **Continue to replace natural gas with electric alternatives - a total change would save us 444 tCO₂e annually (based on 2022)**



REDUCING WASTE, AMPLIFYING IMPACT:

HEXCITE'S WASTE MANAGEMENT COMMITMENTS AND ACHIEVEMENTS

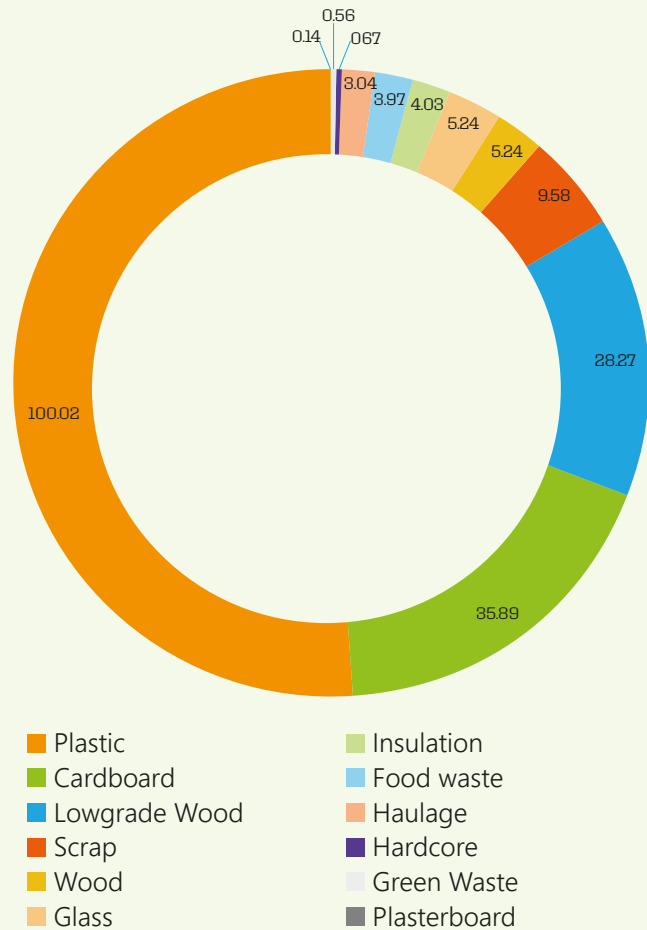
With Hexcite⁴, our complete service for your visual branding journey helps you to enjoy signage that doesn't just look amazing, but also significantly reduces the impact it will have on the environment.

Our use of digital technology cuts out waste in development and concepts and ensures unparalleled accuracy and consistency in production. Careful use of materials ensures your signs are recyclable and degrade safely when disposed of.

We also look carefully into the installation and maintenance of signage, using recyclable fixings rather than plastics wherever possible, and ensuring chemicals used in the cleaning and maintenance processes will not be damaging to plants or animals.

We work primarily with three external companies to ensure waste is dealt with in the correct manner. Thanet Waste are responsible for the bulk of our waste, our waste streams can be seen below. Plastic Experts recycle the specialised plastic that is left over from our acrylics shop and 1st Industrial and Commercial dispose of the hazardous paint waste from paint bays as required by regulation 12 of the Waste and Regulations 2011.

Blaze Total Waste Summary (Tonnes)



196.66 tonnes of waste was collected in 2022. All material was 100% recycled, we operate a 0% waste-to-landfill.

100.02 tonnes of plastic were collected, once sorted, there are two main ways to recycle; **mechanical**, where it is washed, ground and melted; or **chemical**, where it's broken down at a molecular level into monomers, to form new polymers. Once recycled, the plastics can be redistributed into supply chains to begin the cycle all over again!

All LEDs, Power Supply Units (PSUs) and other lighting used in our productions are fully recyclable under the Waste Electrical and Electronic Equipment (WEEE) Directive.

⁴ This report only considers Blaze's waste operations at its Broadstairs Facility and doesn't encompass Cygnia

ACRYLIC SHOP

All plastic from the acrylic shop was collected and recycled by our service provider Plastic Experts in 2022. (Note this is specialised plastic, that cannot be recycled through traditional channels)

Acrylic: 11 tonnes (t)

ACM: 11.5t

PVC: 4.3t

When collected, the material is broken down into small, fine pellets and redistributed into the production flow for reuse.

CASE STUDY

Acrylic Shop

In 2023, local school Newlands Primary School were in the process of organising a "Garden Project" for the children to learn about wildlife and animal habitats. The focus of the project was to encourage the children to spend more time outside, whilst at the same time learning about wildlife. The teachers reached out to local business to ask if they would be prepared to donate anything to the project.

Blaze, and our multiskilled workforce, used MDF to design and build a hedgehog box for the project and donated this to the school.

The project was a huge success, and the students spent a few days decorating the box in 'camouflage'! They found a safe and secure place to hide it, in the hope they will soon find some signs of the hedgehogs using it as their habitat. They hope to install a webcam and have promised to keep us aware of the results!



WHAT HAPPENED TO OUR WASTE?

All waste collected from Blaze is received into the Thanet Waste site and emptied into the main warehouse, with all larger items segregated via specialised machinery. The waste that is left is put onto a conveyor and is separated by hand into the relevant 'bins', whether that's plastic, paper, wood etc.

Every single item of waste that comes through this system is sorted and recycled – here are a few examples:

- **PVC Window Frames:** this are stripped down and sold to a local company to make plastic piping
- **Wood:** this is chipped down and sold to a local company for fuel
- **Soil:** typically separated and sold as topsoil
- **Hardcore:** which is separated, both stones and pebbles are cleaned and resold
- **Concrete and other types of hardcore material:** all of this material is recycled in special waste bays Thanet Waste have built

Goals:

- **Recycling - An increase in the number of recycled paper and packing materials**
- **Sustainable Materials - swapping out where we can**
- **Implementation of new and improved Printers. This will enable us to record and monitor paper usage per user.**
- **Continued Staff Engagement on paper reduction, to use electronic communication and files.**

OUR SUPPLIERS

In recent years, as we have embedded sustainability into our corporate strategy, we have extended this ethos to our supply chain and encouraged good governance practices and ethical management of environmental, social and economic impacts. We send all suppliers our code-of-conduct and modern slavery policy, and endeavour to ensure they all share our values and integrity.

In order to better understand our suppliers, their actions and processes, we have also created an ESG Supplier Survey. In this survey, we explore the three areas of ESG and what the supplier does to make their product or service more sustainable. We have started compiling these results and in 2023, will begin to use them to impact our strategic decisions.

Buying Local

- **100% of our tier 1 suppliers (These are direct suppliers of the final product) are based in the UK. Having local suppliers has many key benefits, including:**
- **Positive for the communities in which we operate**
- **Reduces scope 3 emissions in the supply chain**
- **Greater control of our supply chain**
- **Reduced supply chain costs**

100 %
of our tier 1 suppliers are based in the UK

Buying Right

- **When choosing the materials, we work with, we ensure they are produced in responsible ways and can be discarded in responsible ways.**
- **70% of the Aluminium Composite (ACM) we use is made from recycled materials - it is 100% recyclable**
- **3% of the acrylic we use is made from recycled materials**
- **50% of the PVC foam we procure is made from recycled materials**
- **100% of the packaging card and foam we use is made from recycled materials**
- **38% of the bubble wrap we are supplied is made from recycled products**

OUR PEOPLE



In August 2022 we appointed a new HR Manager Blaze and Cygnia. She first embedded herself within the businesses creating great rapport with management and staff and learning the working practices of the businesses. To support the employees of both companies, Cygnia (81 employees) and Blaze (185 employees), robust HR objectives have been set to improve administration processes, governance, risk and most importantly engagement.

We have made great progress in 2022, as highlighted below.

EMPLOYEE ENGAGEMENT

WeThrive is an employee engagement system we use to collect and deliver results for continuous improvement. All employees across Blaze Signs and Cygnia Maintenance were asked to complete a survey covering 4 indicators of engagement – cognitive, capability, connection and confidence. Scores were out of 100, with 70 being seen as reasonable for a starting point as advised by WeThrive. The first WeThrive was completed in May 2021 and then with the appointment of a new HR Manager delivered in November 2022.



WeThrive Results November 2022



Engagement Rate



Completion Rate



COGNITIVE

What goes on in your head



CAPABILITY

Your perception on support and resources



CONNECTION

The subconscious invisible 'human stuff'



CONFIDENCE

The conscious 'feelings' about work

The results were published to all employees in November 2022 and our new HR Manager has followed up with Department heads, Supervisors and Team members,

The scores were very similar across both sets of staff, with attention to detail, company and customers, skills and personal performance all scoring well. Areas that required further work and discussion included knowledge, status feeling free from worry and team co-operation.

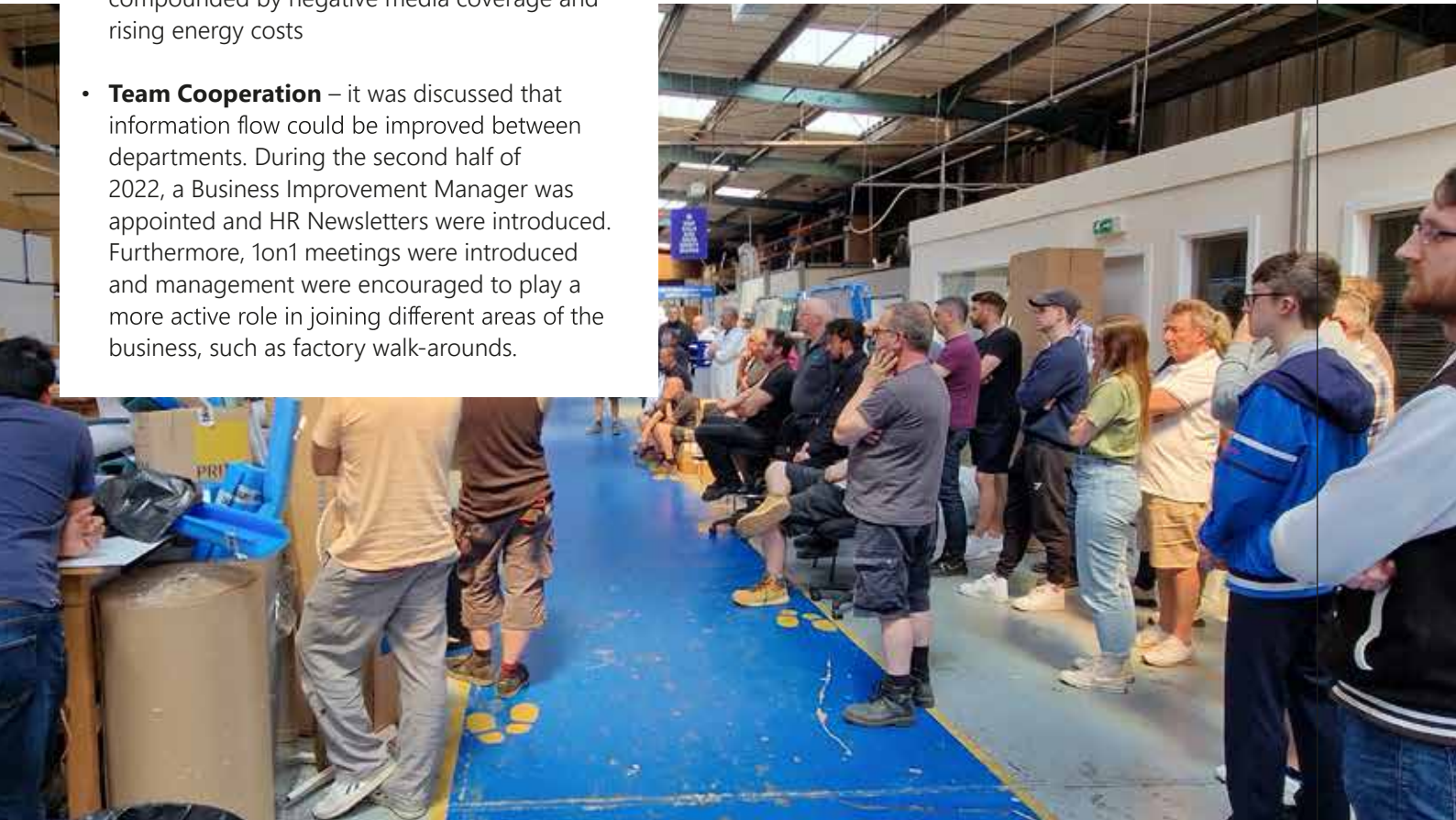
After further in person meetings and presentations will all departments and line managers we logged the following suggested actions to then follow up in July 2023:

- **Knowledge** – more training internally and a better onboarding and off-boarding process. Training matrix and records required.
- **Status** – being thanked and receiving feedback. Look into reviews, performance management and developing managers
- **Free from Worry** – this scored low confidence due to the war in Ukraine, the cost-of-living crisis compounded by negative media coverage and rising energy costs
- **Team Cooperation** – it was discussed that information flow could be improved between departments. During the second half of 2022, a Business Improvement Manager was appointed and HR Newsletters were introduced. Furthermore, 1on1 meetings were introduced and management were encouraged to play a more active role in joining different areas of the business, such as factory walk-arounds.

Blaze Signs has implemented a management improvement system called Illuminate. Objective 1 of this system is Employee Engagement with a view to making Blaze a great place to work; and, objective 2, is ensuring company documentation has been reviewed in line with any new legislation and Objective 3 is to ensure employee data is processed electronically. We hope these changes in Blaze will be mirrored at Cygnia moving forwards.

Employee engagement remains key to Blaze and Cygnia as we continue to build our HR department and is critical in helping us understand our workforce. The feedback from staff helped us identify and implement some immediate changes, including the introduction of suggestion boxes (below), a new well-being awareness programme, a new communications strategy required for all staff, and a companywide strategy day.

In July 2023, we will complete another annual survey (where we have set ourselves an ambitious target to increase scores across all areas), as well as a shorter pulse survey each quarter for Blaze Signs Ltd as part of the illuminate project.





Goals:

Management and Staff Training across all Departments

Staff Intranet implementation for improved Communication (IT and Marketing)

Improved Rest and Breakout areas for office Staff

Implementation of HR absence system for management of Holidays and sickness and for ESG reporting

The introduction of Blaze Academy - which will assist trainees and apprentices gain experience and routes into the company across a number of different roles and areas



HEXCITE IN THE COMMUNITY

East Kent Mencap



Over the year we have listened to our team and have worked with a range of inspirational charities and local community groups. We have looked to use our expertise, whilst shining a light and raising money for charities that have a close tie to those in our business.

EAST KENT MENCAP

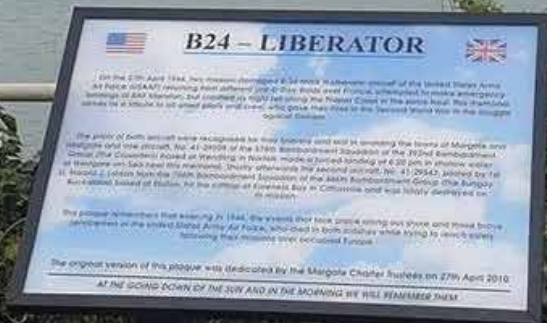
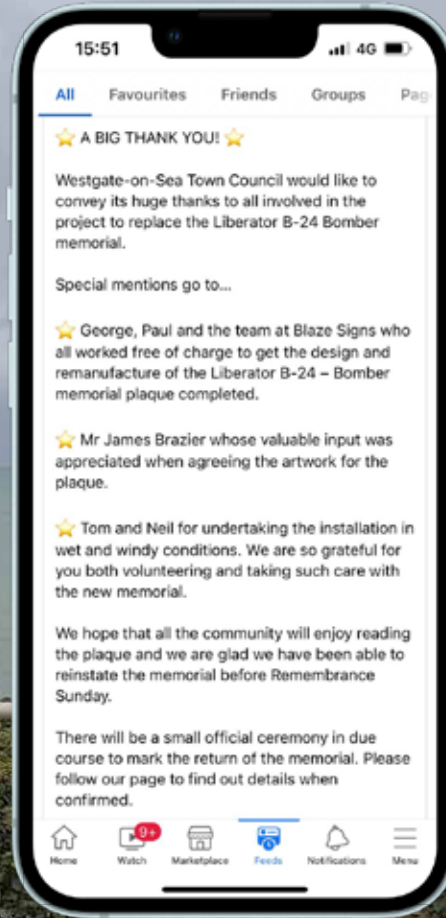
East Kent Mencap is a charity that supports adults and children with a learning disability in the East Kent area to live as independently as possible and to achieve the things they want out of life.

We produced pro bono signage for the charity's local buildings and will look to grow our relationship with them in the coming year.

THE LIBERATOR B-24 BOMBER MEMORIAL

In one of our local communities, Westgate-on-Sea lies a memorial of two American B-24 Liberators which crashed in World War 2. The original memorial plaque – which had been dedicated by the Margate Charter Trustees in April 2010 – was beginning to show its age after 12 years of service.

Blaze Signs offered our services to the Westgate-on-Sea Town Council to reinvigorate the memorial plaque, with a new sign provided free of charge to the local community.



THANET EARLY YEARS PROJECT

TEY is a small charitable organisation who specialises in providing good quality childcare and education to children under the age of 5 years. Their aim is to provide services in areas of socio-economic deprivation, working with children and families in order to afford all children the opportunity to reach their full potential and improve outcomes.

We Raised **£200.00** for the charity in December as a number of our Blaze employees have children who attend a school they support.

WORLD PREMATURETY DAY

World Prematurity Day is observed on 17 November each year to raise awareness of preterm birth and the concerns of preterm babies and their families worldwide.

We raised **£100.00** for them in 2022 as one Blaze Staff member has a child that was born prematurely.

CASE STUDY

Employability Days

What are they?

Employability Days are invaluable initiatives organised by Education Business Partnership designed to prepare GCSE students for the world of work. These dedicated days provide students with opportunities to gain insight into various industries, acquire essential employability skills, and make informed decisions about their future careers.

What did we do?

Members of the Blaze Signs team took part in two employability days at schools in East Kent, Dane Court Grammar School and King Ethelbert School. Amanda, Chris, Leeroy and Barry from Blaze Signs were on hand to provide talks and interviews for the students, providing them with key insight into what it is like in the working world, and giving invaluable feedback on mock interviews.

Why is it important?

This initiative along with our work alongside Dover Technical College and the University of Kent allows us to be a socially sustainable business, with education-based initiatives to continue in the 2023/24 academic year.

FEEDBACK

"This wasn't an easy task, with so many sessions and students to navigate, but there is no doubt you managed to inspire, interact and inform throughout the entirety of the day. Teaching staff and students couldn't be more grateful for the efforts that you put in and such incredible commitment"

"We cannot thank you enough for helping them on their journey, providing energy, advice and support throughout the day!"

John Tranter

Education Business Partnership (EBP) Kent

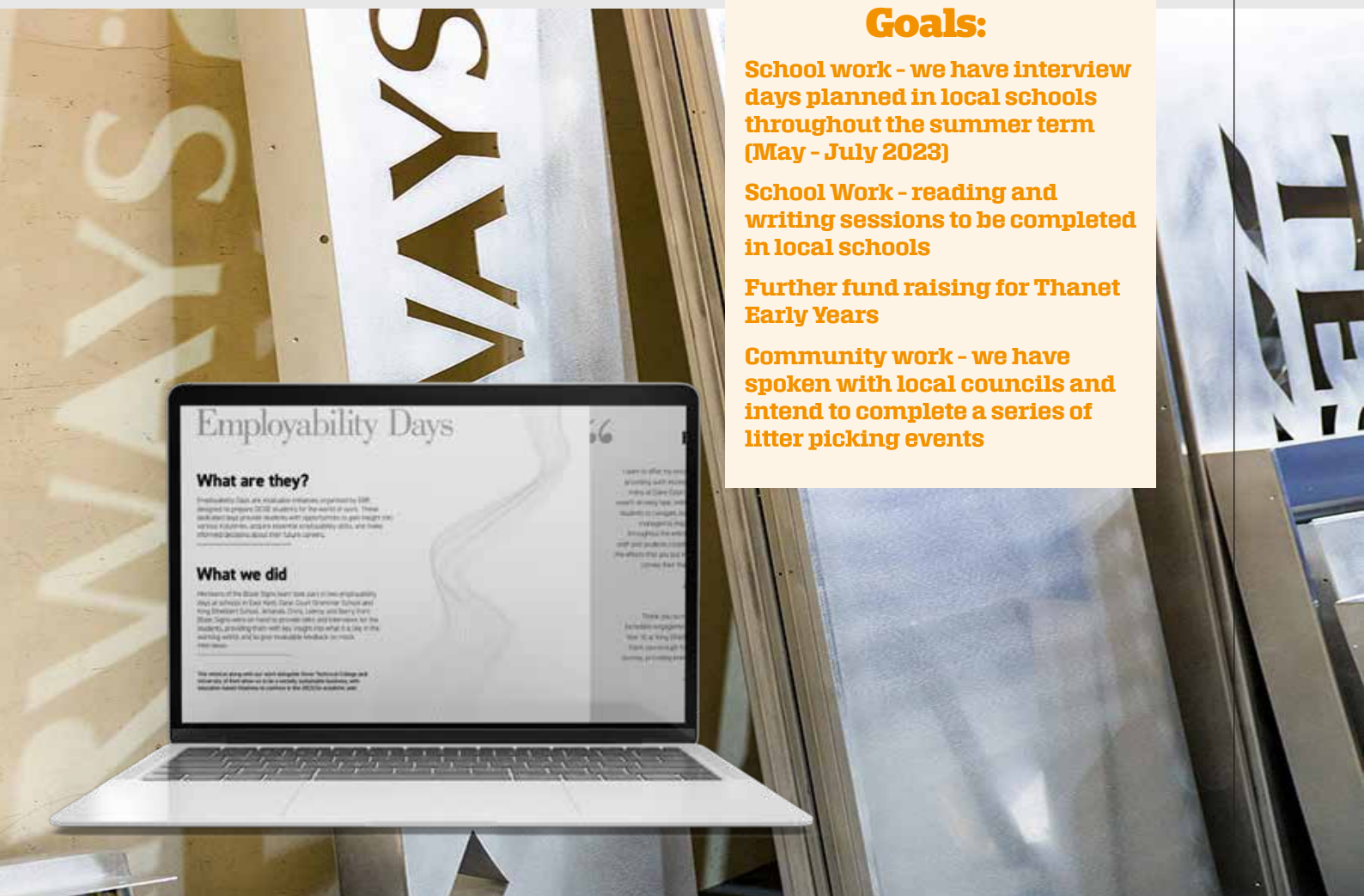
Goals:

School work - we have interview days planned in local schools throughout the summer term (May - July 2023)

School Work - reading and writing sessions to be completed in local schools

Further fund raising for Thanet Early Years

Community work - we have spoken with local councils and intend to complete a series of litter picking events



GOVERNANCE



COMPLIANCE AND SECURITY

Compliance and security are an integral part of our business, so we ensure that the services we provide meet essential security regulations and governing frameworks. Our certifications and accreditations include the following:

ISO 14001 (Both Blaze & Cygnia) - ISO 14001 sets out the criteria for an environmental management system. It maps out a framework that we can follow to set up an effective environmental management system.

Designed for any type of organisation, regardless of its activity or sector, it provides assurance to company management and employees as well as external stakeholders that environmental impact is being measured and improved.

ISO 9001 (Both Blaze & Cygnia) - ISO 9001 sets out the criteria for a quality management system and is the only ISO standard that can be certified to (although this is not a requirement).

This standard is based on a number of quality management principles including a strong customer focus, the motivation and implication of top management, the process approach and continual improvement. These principles are explained in more

detail in ISO's quality management principles. Using ISO 9001 helps ensure that customers get consistent, good-quality products and services, which in turn brings many business benefits.

FSC Accreditation (Blaze) - The Forest Stewardship Council (FSC) is an international, non-governmental organisation dedicated to promoting responsible management of the world's forests. Since its foundation in 1994, FSC has grown to become the world's most respected and widespread forest certification system.

FSC's pioneering certification system, which now covers more than 200 million hectares of forest, enables businesses and consumers to choose wood, paper and other forest products made with materials that support responsible forestry. **The FSC accreditation shows that we comply with the highest social and environmental standards on the market.**

Safe Contractor Accreditation (Cygnia) – Their SSIP⁵ and PAS91⁶ contractor accreditation scheme checks that we meet the necessary requirements around health and safety, equal opportunities, diversity and environmental management practices.

⁵ Safety Schemes in Procurement

⁶ PAS 91 seeks to help construction clients find and identify suitably qualified contractors that have demonstrated compliance with supply chain risk management practices

HEALTH AND SAFETY

We have conducted a great deal of work in this area during the second half of 2022. After enlisting the help of a third-party partner Safety and Management Solutions Ltd (SAMS) we conducted a full audit across sites.

Once this was completed, we finalised a full overhaul of our H&S policy in collaboration with SAMS, this overhaul also includes rigid processes for annual testing, training and audits which began in October 2022. Beginning with training all factory staff received face fit training⁷ and IOSH⁸ training was given to 5 senior members of staff and will continue to be rolled out in 2023.

A variety of H&S testing and audits were undertaken across our factories and office spaces, at our Blaze Broadstairs and Birmingham sites over the last year.

Hexcite is fully focused on creating workplaces that unequivocally protect the environment and the health and safety of our employees, our customers and our supply partners. It's an area constantly evolving due to regulation changes and one we will continue to refine over the next year and beyond.

>£100k
invested in
our H&S in
2022

⁷ A face fit test is a procedure that ensures the Respiratory Protective Equipment (RPE) you use fits correctly to protect against hazards identified in a risk assessment.

⁸ IOSH Working Safely is a course covering the essentials of health and safety in the workplace



CYBERSECURITY

In 2022 cyber security has never been more important, UK businesses lost an estimated £736 million through cybercrime in 2021, with 4 in 10 businesses reporting cyber breaches or attacks in the last 12 months. Alongside health and safety, cybersecurity has been an area of focus in 2022. We have completed a full audit and created our first IT cyber security policy – we have conducted a variety of internal and external penetration tests and we are happy to report our cyber defences weren't breached. We have had 0 cyber security incidents or breaches in 2022!

All laptops are encrypted, require double-factor authentication, and have two layers of anti-spam and phishing protection. We have employed an

external company to conduct training with all office staff and new starters, which includes 30 information security courses.

DATA PROTECTION

We treat the privacy of our customers, suppliers, and website users very seriously and take appropriate security measures to safeguard privacy. We are committed to collecting and processing personal data fairly and transparently in keeping with the Data Protection Act 2018 and GDPR. At all times we safeguard personal data against unauthorised disclosure and take reasonable security measures to protect this information.

0
cyber security incidents or breaches in 2022 !



Goals:
 We completed and passed our ISO9001 in April 2023
 Improvements and Investment of £100k for Health & Safety programme across 2023 throughout the business, working with our Third-Party H&S Partner - Safety & Management Solutions Ltd
 Become cyber essentials certified by mid-2023 and cyber essentials + certified by the end of 2023



HEXCITE

Working in partnership with



An intelligent approach to energy, waste & sustainability

Sustainable Advantage
 Hersham Place Technology Park
 Molesey Road
 Hersham
 Walton-on-Thames
 Surrey
 KT12 4RS

info@sustainable-advantage.com
 0203 544 2030