

# Corporate Social Responsibility

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## People

### Health and safety

We employ over 1,500 people. The safety and the well-being of these employees and our contractors is our first operational priority.

We continue to maintain good safety performance and our safety statistics continue to benchmark well with industry standards.

	2017	2016
Injury frequency rate <sup>(1)</sup>	<b>6.81</b>	5.15
Lost time injury frequency rate <sup>(2)</sup>	<b>1.38</b>	1.05

(1) Injuries per 100,000 hours worked.

(2) Lost time accidents per 100,000 hours worked

We recorded one major injury in 2017 (cut to the hand) under the Reporting of Injuries, Diseases and Dangerous Occurrences Regulations 2013 ('RIDDOR').

During 2017 we appointed a new Group Quality Manager, with specific responsibility for health and safety matters. The appointment has been instrumental in driving improvements in our health and safety culture, with an emphasis on ownership and accountability to drive a more uniform and consistent approach across the Group. This is particularly important in our expanding branch network, where we added 88 employees during the year.

In terms of quality, the focus has been on implementing key principles of quality management and measuring systems, which have been captured in our new Quality Policy Statement (see page 33).

### Incentives and rewards

Our remuneration policies remain competitive and packages include combinations of salary, performance related pay and a contributory pension scheme.

In addition, in 2017 we launched our first Save As You Earn share scheme since the Initial Public Offering ('IPO'). This enables employees to save a fixed sum each month, with an option to buy Eurocell shares at a discounted purchase price at the end of a three year savings period. Approximately 40% of employees have decided to join the scheme, saving an average £150 per month. We plan a similar scheme for 2018.

## Equality and diversity

Equality and diversity form part of Eurocell's core values.

Our equal opportunities policy requires that we give full and fair consideration to applications for employment by disabled people. In the event of a colleague becoming disabled, every effort will be made to ensure that their employment with us continues and that appropriate support is available.

We respect individuals and their rights in the workplace and with this in mind specific policies are in place to prevent or, where issues are raised, address harassment and bullying.

Our whistleblowing policy operates to give visibility to issues that might not otherwise be uncovered or resolved through normal channels. We recently introduced a whistleblowing hotline, with an associated employee awareness campaign and e-learning modules.

Our colleagues come from wide and diverse backgrounds, nationalities and ethnic and religious groups and we respect and embrace cultural differences wherever we operate.

We recognise the benefits of encouraging diversity across the business and believe that this will contribute to our continued success. All appointments are made based on merit and are measured against specific objective criteria, including the skills and experience needed for the position. We remain committed to increasing the participation of women throughout the Group, including at Board level, within the steering group and senior management.

Gender diversity	Male		Female		Total average no.
	no.	%	no.	%	
Directors	6	100	0	0	6
Executive Committee	6	86	1	14	7
Senior managers	15	79	4	21	19
Other employees	1,297	89	167	11	1,464
<b>Total</b>	<b>1,324</b>	<b>88</b>	<b>172</b>	<b>12</b>	<b>1,496</b>



## Training and development

We continue to invest in the training and development of our staff, and support them in the delivery of our Group-wide and individual objectives. We provide a number of training programmes for our teams, using a combination of internal and external service providers. In addition, we provide financial and study leave support for our trainees who are in the process of obtaining a professional qualification.

We operate a management development programme, which has three levels reflecting the relative seniority of participants. During 2017, 24 delegates attended level 1 and level 2 of the programme.

Within the Group we also offer e-learning training programmes to our employees. During 2017, staff from across the business have completed and passed over 2,000 e-learning courses.

We have an apprenticeship programme and during 2017, 13 new apprentices have joined the Group.

Looking forward, we intend to invest more in the training and development of our employees.

Overall, we work hard to ensure we remain a local employer of choice, to help us attract and retain talented people.

## Corporate Social Responsibility continued

**Environment**

We are committed to protect and minimise our impact on the environment. We will operate in compliance with our relevant environmental legislation and we will strive to use pollution prevention and environmental best practice in all that we do. We recognise that our operations result in emissions and waste and we are committed to control, recover and re-use PVC waste wherever possible. We promote the efficient use of materials and resources throughout our facilities particularly non-renewable resources and continue our development of sustainably sourced products using recycled materials.

Environmental concerns and impacts are a consideration in all of our decision making and activities and we promote environmental awareness amongst our employees and encourage them to work in an environmentally responsible manner. This is achieved through training, education and informing our employees about environmental issues that may affect their work.

Emergency response procedures are maintained where required by legislation or where significant health, safety or environmental hazards exist.

Our environmental objectives are set out in alignment with legislation and continually reviewed to ensure they are being met. Our environmental policies apply to all our operations and sufficient resources will be made available to ensure that this policy is implemented. We will strive to continually improve our environmental performance and review this policy in light of any planned future activities.

Our policies are also communicated amongst all employees and interested parties.

**Greenhouse gas data**

We are reporting our greenhouse gas ('GHG') emissions as part of our Strategic Report and our GHG reporting period is the same as our financial year.

GHG emissions for the Group for the year ended 31 December 2017 were, in tonnes of carbon dioxide equivalent (tCO<sub>2</sub>e):

Source	tCO <sub>2</sub> e	%
Fuel combustion (stationary)	446	1.7
Fuel combustion (mobile)	6,365	24.8
Facility operation	64	0.3
Purchased electricity	18,792	73.2
<b>Total</b>	<b>25,667</b>	

The main driver behind the fall in GHG emissions is the sharp drop in the carbon intensity of electricity over this

period, owing to the phasing out of coal-fired generation and its replacement by gas and renewables.

**Annual comparison and emissions intensity:**

tCO <sub>2</sub> e	2017	2016	% Change
Total emissions	<b>25,666</b>	26,385	(2.7)
Emissions intensity*	<b>114</b>	129	(11.6)

\* Expressed in tCO<sub>2</sub>e per £m revenue.

**Methodology and emission factors**

These emissions were calculated using the methodology set out in the updated greenhouse gas reporting guidance, Environmental Reporting Guidelines (Ref. PB 13944), issued by the Department for Environmental, Food and Rural Affairs in June 2013; and DEFRA's 2017 carbon factors.

**Reduce waste sent to landfill**

Our recycling facility in Ilkeston collects old windows ('post-consumer' waste) and customer factory offcuts ('post-industrial' waste) and processes them into a recycled PVC compound, which is then used in our other manufacturing processes. By recycling these products we reduce the amount of waste going to landfill. In 2017 we increased the amount of waste that we recycled by 2.9k tonnes.

**Suppliers****Ethical and sustainable sourcing**

We ensure that suppliers understand and work with us to meet our aspirations.

Over 70% of our suppliers have been supplying Eurocell for more than three years. All supply and tender agreements include the following statement:

"The supplier advocates the principles of Corporate Social Responsibility and requires a serious approach to social-economic issues from its supply chain."

All of our suppliers are required to confirm their commitment to the following principles:

- The obligation to the global and local environment;
- Respect for fundamental human entitlements;
- In purchasing activities, a commitment to improving the organisation's performance in relation to fairness to all;
- A system of internal and external reporting which matches espoused values;
- A proactive promotion of sustainable practices and products;
- Recognition that there is responsibility to add value to communities and societies upon which the organisation has influence; and
- An ethical approach to purchasing activities.

### Modern slavery

We are absolutely committed to preventing slavery and human trafficking in our business activities, and to ensuring that our supply chains are free from these practices.

We aim to identify modern slavery risks and prevent slavery and human trafficking in our operations. We have made good progress during 2017 in identifying any potential risks in the top 80% of our suppliers. In cases where medium or high risk is identified, further assessments are being carried out.

Our full Anti-Slavery and Human Trafficking Statement is published on our website at [investors.eurocell.co.uk](http://investors.eurocell.co.uk).

### Customers

#### Sustainable and quality products

We adhere to industry-leading specifications and ISO-based standards for Quality & Environmental Management and British Standards for Health and Safety.

#### Service levels

We recently introduced the following customer-focused Quality Policy Statement, which captures the way we aspire to work at Eurocell.

### Quality Policy Statement

#### Customers

To be trusted by our customers in everything we do. Working in partnership with them to ensure that they are able to differentiate their service and product offerings from their competitors. Easy to do business with and always responsive to their needs, in a consistent, timely, courteous and flexible manner.

#### Quality

Adherence to industry-leading specifications and ISO-based standards for Quality & Environmental Management and British Standards for Health and Safety. Ensuring that suppliers understand and work with us to meet our aspirations.

#### Constant improvement

Uniform standards across our business benchmarked against industry best practice, constantly reviewing and improving processes. Benchmarked leading industry best practice transferred across businesses and customers with a view to reducing waste and improving consistency. Always tracking and measuring through business and departmental KPI's reflecting the business objectives.

#### Everyone's responsibility

All departments responsible for constantly reviewing, measuring, checking and improving the quality of their work and ensuring that the necessary training, facilities and tools are available to get the job done, right first time through a culture of continuous improvement. All departments working together and supporting each other with no barriers and no silos.

### Community

#### Nominated charities

We have the following nominated charities: East Midlands Air Ambulance Service and Starlight.

During 2017 a team of Eurocell employees took part in the Derby 10k race and raised £5,000 for the East Midlands Air Ambulance.

#### Amount raised for the East Midlands Air Ambulance

# £5,000

#### Camp Kernow

Camp Kernow is an award-winning organisation with an innovative off-grid environmental adventure centre dedicated to reconnecting and engaging children with the natural environment and inspiring them to live more sustainably. We provided various materials and components to support construction of the centre, some of which were made using recycled post-consumer material.

