

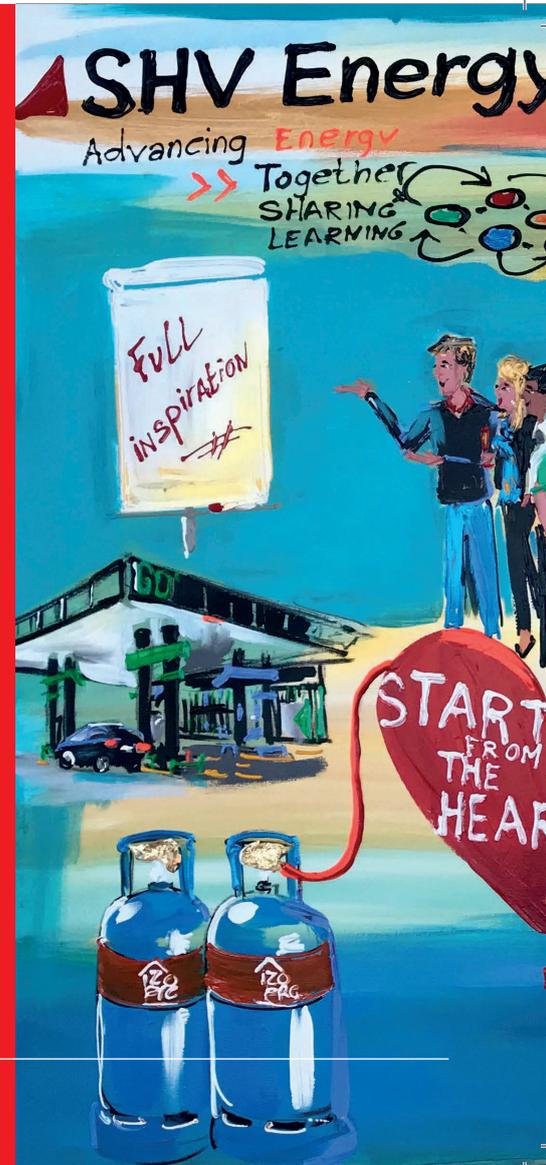


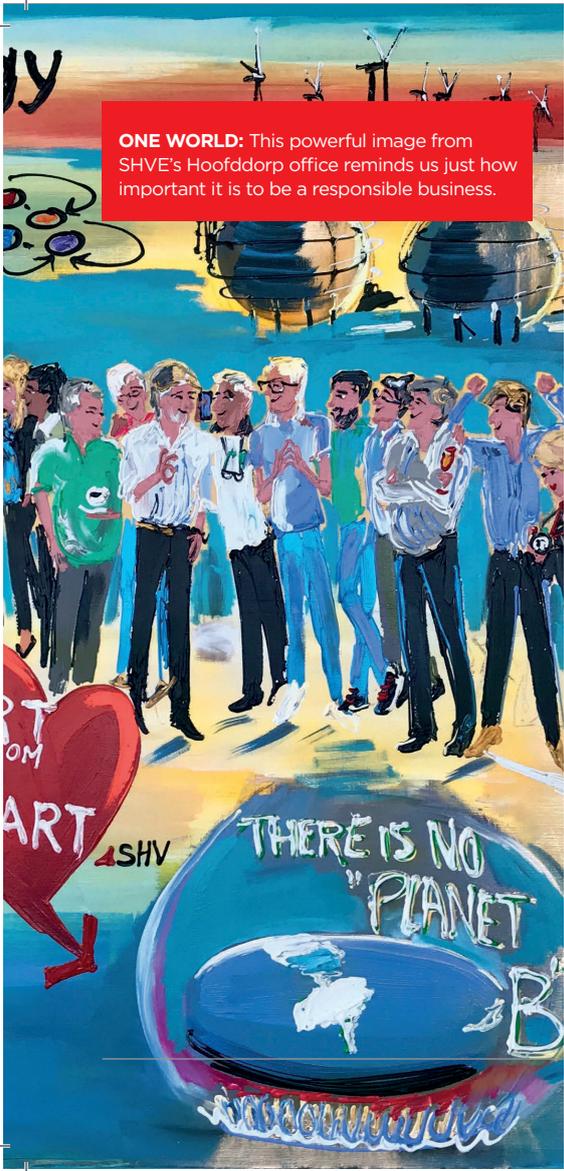
Responsible Business Plan 2018 - 2020



Contents

3	Welcome
4-5	What is a responsible business?
6-7	Listening to the world
8-9	Our Plan – the structure, purpose, vision and values
10-11	Our three pillars and 10 targets
12-15	How are YOU responsible?
16-17	How we'll report on our progress
18-19	What we already do
20-22	Your voice, your Responsible Business Plan
23	How you can make a difference





ONE WORLD: This powerful image from SHVE's Hoofddorp office reminds us just how important it is to be a responsible business.

Welcome

Welcome to our Responsible Business Plan. It's a clear and simple roadmap for 2018 until 2020 that shows every one of us how we can make a positive difference for our people, planet and business. We're the first generation to witness the real extent of our impact on the planet we call home and we're committed to doing something positive about that.

We've always taken our environmental responsibilities seriously at Calor. We've assessed our sustainability progress annually for over a decade. However, for many people, the term sustainability wasn't that easy to relate to. It seemed vague, intangible and possibly unattainable.

That's why, in our new Plan, we've substituted sustainable for 'responsible'. Being responsible is something we can all understand – and achieve.

As you read through our Plan, think about how you can contribute. Use it, too, to help you make responsible decisions in the best interests of our business, colleagues and communities.

All our small actions taken together can add up to something incredible.

MATTHEW HICKIN, CEO



What is a responsible business?

Before we explore our new Responsible Business Plan, let's think about what it really means to be a responsible business.

Calor's always been striving to be sustainable but the term sustainability hasn't always been fully understood. It can encapsulate everything from controlling greenhouse gas emissions, to developing our people, to raising money for charity.

In this sense, being responsible is the same as being sustainable, the two are complementary terms to describe the way Calor wants to do business and our future success. It's about thinking about the future today.



The global picture

The United Nations (UN) has been leading the way in promoting and nurturing sustainable development. You may remember that in 2017, we asked you about what global and local issues you thought were important. And we structured those questions around the UN's own Sustainable Development Goals (SDGs), which we'll cover in detail over the page.

The goals are closer to Calor than you might think. Take our longstanding volunteering programme Start from the Heart. The work we put into the programme supports the aims of the UN, because we're doing the right thing as a business, giving something back and building a more sustainable community. We strengthen our own business in the process.

A modest but powerful response

While change on a global level is important, it's also valuable to think small sometimes. Consider sustainable clothing firm Patagonia, which refers to its efforts quite humbly:

“Responsible seems to us the apt, more modest word to use while we walk the [sustainable] path that, we hope, leads to a place where business takes no more from nature than what it can replace.”

Our Responsible Business Plan builds on this philosophy. Let's step back from sustainability and think about responsibility. Because that's second nature for most of us.

If we commit to being a responsible business, there really is something in it for everyone; every one of us can contribute. ♻️

» Being a sustainable business comes down to looking after our people, our world – and our future success. It's about thinking about the future today. «

Listening to the world

When we developed our Responsible Business Plan, we tied it into the important work already done by the UN through its SDGs.

These are a set of 17 objectives which, taken together, aim to end poverty, protect the planet and ensure prosperity for all. Adopted by the UN, alongside countries around the globe, on 25 September 2015, each goal has a set of connected targets to be achieved over the next 15 years.

What have the United Nations' Goals got to do with me?

While Calor's Responsible Business Plan doesn't try to tackle all of these goals directly, it does focus on a number of areas that contribute to their success.

We feel that this is important. Because for the UN's goals to be reached, everyone must play their part: that means governments, businesses, civil society and people like us.

We've linked our goals to those SDGs which are most relevant to Calor's business activities and to which we can contribute to – making a better business and better world.

You can find out how our Responsible Business Plan links back to the UN's SDGs in our table on page 10. [🔗](#)

**SUSTAINABLE
DEVELOPMENT
GOALS**

1 NO POVERTY



2 ZERO HUNGER



3 GOOD HEALTH AND WELL-BEING



4 QUALITY EDUCATION



5 GENDER EQUALITY



6 CLEAN WATER AND SANITATION



7 AFFORDABLE AND CLEAN ENERGY



8 DECENT WORK AND ECONOMIC GROWTH



9 INDUSTRY, INNOVATION AND INFRASTRUCTURE



10 REDUCED INEQUALITIES



11 SUSTAINABLE CITIES AND COMMUNITIES



12 RESPONSIBLE CONSUMPTION AND PRODUCTION



13 CLIMATE ACTION



14 LIFE BELOW WATER



15 LIFE ON LAND



16 PEACE, JUSTICE AND STRONG INSTITUTIONS

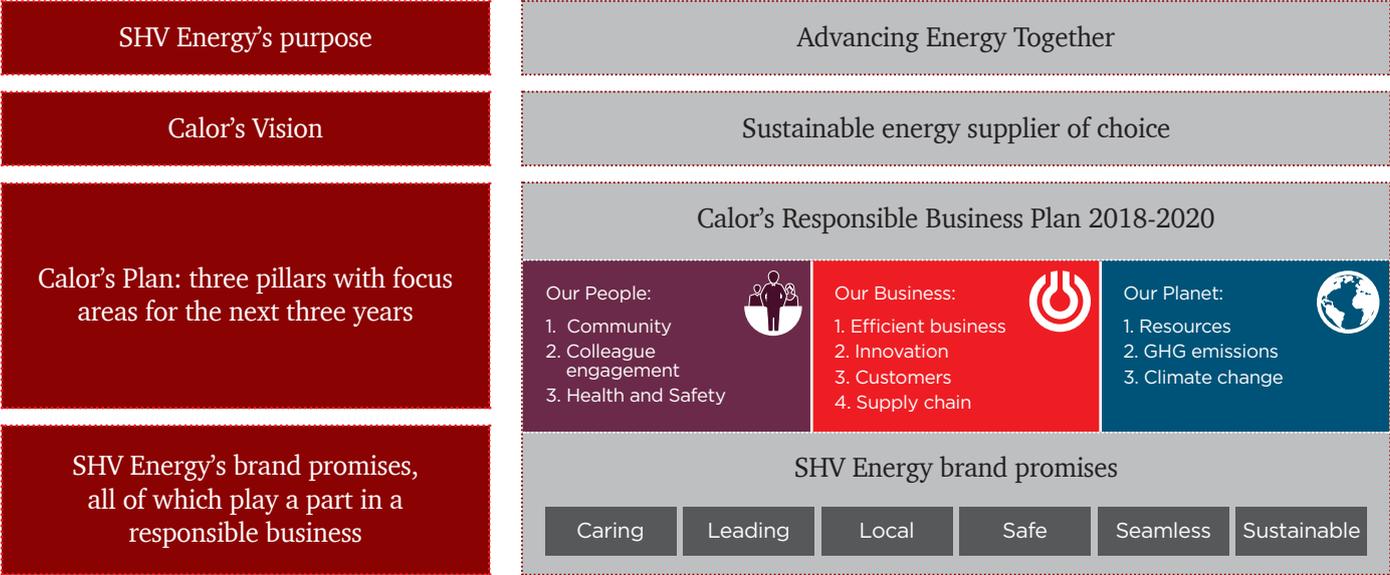


17 PARTNERSHIPS FOR THE GOALS



Blueprint for a brighter future

Calor's Responsible Business Plan



How does our Plan reflect our purpose, vision and values?

Our new Responsible Business Plan supports the purpose, vision and values that we all live and breathe every day. Here's how:

Purpose - Advancing Energy Together

Shared by Calor's sister companies around the world, we are driven to provide sustainable energy and to keep our customers satisfied in the long term.

By bringing BioLPG to market in the UK, we will improve our environmental performance and reduce our customers' carbon footprints.

Vision

We're determined to become the sustainable energy supplier of choice in rural Britain.

Our Plan will act like a lens for how we do business. It will help us deliver our vision and lead our market in the most responsible way.

Brand promises

We're Caring, Leading, Local, Safe, Seamless and Sustainable.

Our values already focus on the wellbeing of our people, business and planet. The Responsible Business Plan reinforces what we're naturally all about.

Our three pillars and 10 targets

Thanks to the feedback you provided through surveys, roadshows, forums and workshops, the Responsible Business Plan reflects the issues that matter most to you.



The Plan is split into three pillars – Our People, Our Business and Our Planet. This reflects the social, environmental and financial responsibilities of Calor. While these pillars remain fundamental to our responsible business approach, following feedback, we have selected focus areas with a dedicated target for each that we will focus on for the next three years.

In total, there are 10 targets, and everyone can play their part. If you care about your community, get involved in our charity activities. If you care about the planet, help us cut waste. If you care about our business, tell us how we can improve our processes and efficiency. Each target is not only linked to a UN SDG but also reflects our own brand promises.

Which one matters most to you – and what could you do to make a difference?



PILLAR	OUR PEOPLE		
OUR FOCUS AREA	Local community links	Colleague engagement and satisfaction	Health and Safety
UN SUSTAINABLE DEVELOPMENT GOAL	11. Sustainable cities and communities	8. Decent work and economic growth	3. Good health and wellbeing
OUR TARGET	Increase the use of employee volunteering days to the equivalent of 50% of the employee population in 2018, 75% in 2019, rising to 100% by 2020.	Achieve a Gold award from Investors in People in 2020 by implementing their recommendations over 2018/2019.	In 2018, devise a wellbeing at work policy for Calor. Develop an action plan to support this (in 2018), containing actions for 2018, 2019 and 2020. Roll out to the entire business.



OUR BUSINESS				OUR PLANET			
Efficient business	Innovation	Customers	Sustainable procurement		Resources	Energy use	Climate change
<p>8. Decent work and economic growth</p> 	<p>9. Industry, innovation and infrastructure</p> 	<p>7. Affordable and clean energy</p> 	<p>8. Decent work and economic growth</p> 	<p>12. Responsible consumption and production</p> 	<p>12. Responsible consumption and production</p> 	<p>13. Climate action</p> 	<p>7. Affordable and clean energy</p> 
<p>Introduce the SHVE-wide metric of kgCO₂/tLPG sold as a carbon metric for the business. Initially monitor (in 2018), after which set an upper threshold and target for the business.</p>	<p>Deliver market leading products and business performance improvements that will result in 2% of annual profit contributed by innovation-led initiatives by end of 2020 and 5% by 2025.</p>	<p>Increase proportion of BioLPG supplied to 5% of total sales by 2020, 10% by 2025.</p>	<p>All suppliers to be signed up to Calor's Code of Conduct (or equivalent) by 2020. In 2018, finalise Calor's Code of Conduct and roll out to strategic suppliers and new suppliers. In 2019, roll out to at least 50% of suppliers. By 2020, all suppliers are signed up to Calor's Code of Conduct.</p>		<p>Recycling: increase from 35% to 55% for Calor in year 1 (2018). 5% increase each year thereafter, up to 65% by end of 2020.</p>	<p>Energy consumption: 2% improvement in either fuel efficiency (for a transport-based team) or 2% reduction in energy usage (natural gas/electricity, for a site-based team) in 2018. All based on a 2017 baseline, measured in terms of fuel efficiency or kWh.</p>	<p>SHV Energy target to cut our carbon impact by 25% by 2025, across all business units.</p>

How are YOU responsible?

Meet some of your colleagues who are already making a positive difference.



» I'm going to make sure that I take up the challenge to spend a day volunteering this year. I hope everyone else will too - and I'd love to know when yours is taking place! «

MATTHEW HICKIN,
CEO

» I manage my energy use at home by monitoring the heating controls so it's never hotter than it needs to be, and I only use low-energy forms of lighting. It's better for our environment and saves me money! «

JIM O'BRIEN,
SHIFT TEAM LEADER



» I don't drive over 70mph anymore, so I can be safer and more fuel efficient. I also compost and recycle everything I can, to the point where I even go through the bins at home to make sure my family has done the same! «

ADAM THOMPSON,
OPERATIONS DIRECTOR



» After my recent house move, I donated anything we no longer needed to charity, instead of taking it to the tip. «

JONATHAN WOOD,
FINANCE DIRECTOR



» I use my bike regularly and take part in charity rides for a local cancer hospice charity, called St Luke's. Choosing my bike to get around is great for two reasons: it saves me money and benefits the environment. «

IVOR FARRELL,
DRIVER



» Myself and two colleagues live within half a mile of each other, so I suggested car sharing. By taking just one car each day, we've reduced our weekly mileage by 596 miles. This cuts our fuel cost, carbon emissions and wear and tear on our vehicles. «

GARY EVANS,
CAERNARFON TEAM LEADER

» At work, we organise a lot more teleconferences to cut down on driving and I do my best to recycle my waste. I'm also planning to set responsibility goals for the team this year. At home, the children are on board with recycling and we have regular clear-outs of clothes and toys that go to charity. «

MATT LIGHTBURN,
HEAD OF SALES



» I treat every pound as my own at work, which is integral to being a responsible business. I reduce my travel and carbon footprint by holding meetings on Skype. When I do need to travel by train, I ask for off-peak meeting times to cut costs. I also avoid printing whenever I can. «

GEMMA SCHMID,
HOME ENERGY MARKETING MANAGER



» Striving towards being a responsible business means we need to be open to developing our company and ourselves. Together, we've achieved an Investors in People Silver award. Next time we're aiming for Gold. «

GERALDINE GODDARD,
HR DIRECTOR



» I walk to work most days and have done for a few years in a bid to get fitter and lose weight. I've lost just over two stone. As well as saving money and fuel, the health benefits are most important. I love the thinking time and fresh air it gives me. «

KAREN KENT, CUSTOMER CENTRE ASSISTANT, SITTINGBOURNE

» I've stopped using disposable, plastic water bottles. Instead, I take a reusable bottle with me, and fill it up wherever I go – at home or at work. «

PAUL INSTRELL
SALES AND MARKETING DIRECTOR



» I drive more than 30,000 miles a year for work, so I chose to buy a car that was extremely fuel efficient to reduce my emissions. When it comes to food, I don't eat much dairy and meat as large-scale farming contributes to air pollution. I've stopped buying single-use bottles of water, too, to reduce sea pollution. «

ROSS AITCHISON,
SUBSIDIARIES MANAGER



How we'll report on our progress

To make our contributions count and maintain momentum to achieve them, we'll report regularly on how we're doing. Think of it like a match report, summarising our performance and all our hits and misses.

This is how the pieces of our reporting process will fit together...

Corporate Responsibility team



Our Corporate Responsibility team will keep you informed about everything your colleagues are doing and inspire you to make Calor a responsible business. Look out for posters, emails and workshops, along with fresh ideas and information wherever possible.

One thing the team's not here to do is all the work. We can only be a responsible business if we all take responsibility for our actions, our decisions and their impact.

Quarterly updates



Every three months, we'll issue an update on progress towards our targets and share stories about what colleagues have been up to. Keep an eye out for an email, poster or new information on COLIN.

Annual updates



We'll compile a review of the year outlining key highlights and progress. This will be available on a PDF as well as online, for colleagues, customers and local communities to read – and for us to be held accountable.

Every three years

3

Towards the end of each three-year period, we'll take stock of what we've achieved and what we could have done better. This will guide the creation of our next three targets and allow us to adjust our approach if we need to. However, the three pillars of our plan will stay the same.

And remember:

By focusing on our 10 targets, we can all make an impact. Whatever you do – and however you contribute – remember to tell our Corporate Responsibility team what you're up to!



» To keep everyone informed and motivated, we'll report regularly on how we're doing. Think of it like a match report, summarising our performance and all our hits and misses.

«

What we already do

Being a responsible business is nothing new to Calor. It's been integral to how we operate for many years.

What our approach to responsible business does is capture on paper the Calor family attitude and the good work we already do. It helps focus our minds and efforts on what's important to us, our customers, communities, environment and, ultimately, many generations to come.

Here's a snapshot of some of the activities we already do that distinguish us as a caring and responsible business:

Carbon Trust

We're Carbon Trust accredited for managing and reducing our carbon footprint year on year. This reflects investments made in our buildings, distribution and working practices to cut emissions.



Business in the Community

We're a member of Business in the Community, having won an award for being a responsible business in 2014. The organisation recognises businesses that make a powerful impact on the communities around them.





Calor Rural Community Fund

This annual funding competition is open to any rural, off gas-grid community. On offer are a variety of funds, with up to £5,000 available to help existing community groups and their activities.



Charity commitment

We make a lasting difference through fundraising and volunteering for our chosen corporate charity. So far we've supported charities including Childline, Make-A-Wish Foundation, the Alzheimer's Society and we're now committed to raising £100,000 for Mind and Scottish Association for Mental Health (SAMH) over the next three years.



And there's more...

- We've offered volunteering opportunities for many years, starting with Calor in the Community more than 15 years ago.
- Our national trunking vehicles have been converted to run on LPG as well as diesel, reducing the impact on local air quality.
- We recognise colleagues through brand promise awards.
- We tackle rural fuel poverty with charity partners such as NEA, NEA Cymru and Energy Action Scotland.
- We use Seacourt, a sustainable publisher committed to reducing its environmental footprint, for all our corporate publications. We actively choose sustainable suppliers for products ranging from paper, to printing, to coffee.

Your voice, your Responsible Business Plan

We should all find it easy to get behind our Responsible Business Plan because it reflects the views and attitudes of you – our people.

For it to really resonate, it had to feel familiar and important. The only way to do that was to determine exactly what sustainability and responsibility meant to people around our business.

Our corporate responsibility team spent time gathering this input throughout 2017. We held workshops, went to sites, handed out paper questionnaires, sent out an electronic survey, and established

a network of sustainability leaders at our sites to give direct feedback.

This helped us learn what you thought about the big challenges ahead. You shared your views on how global changes – such as an ageing population – might affect our business, whether inequality or climate change were more important, and what sustainability really meant. Every piece of feedback helped shape the plan you're reading about today.

It means you'll feel familiar with the elements included and believe in a strategy that reflects your own values and interests. ☺

» Every piece of your feedback helped shape the Plan you're reading about today. It's a strategy that reflects your own values and interests. «

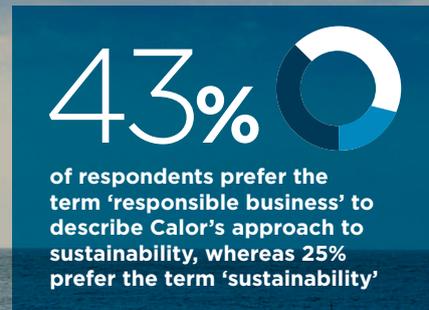
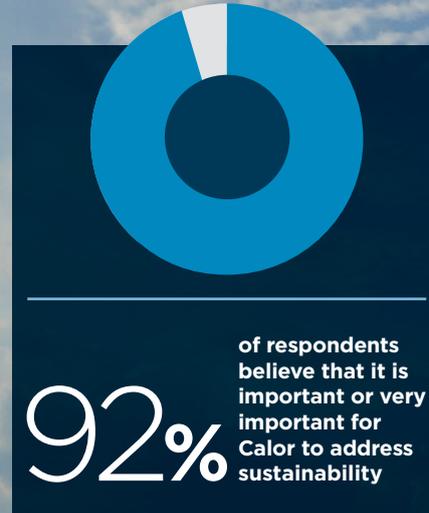
Sustainability or responsible business?

What quickly became clear was that many of you were unsure about the full scope of sustainability. Calor has been publishing a sustainability report since 2006, where we've reported on how we've reduced our carbon footprint, tackled fuel poverty and given back to our local communities.

Despite all these things, sustainability had a limited meaning to many people we spoke to.

Yet when we asked about a responsible business, everyone understood. You felt it was a positive, more inclusive term that enabled everyone to be responsible for something. It was that breakthrough that shaped our strategy.

A responsible business is one that cares about the environment, but also for its people, customers and bottom line. It considers and balances all those factors whenever it makes a decision. ☺



» Sustainability should be just part of the way we do business. «

36.3% of respondents said sustainability is about ensuring the long term success of the business.

22% said protecting the planet for future generations is the most important aspect of sustainability for the business.



Customer feedback and satisfaction

came out as the most important social issue to respondents when considering Calor's operations



Finding a consensus from the outside in

The largest part of our research was the survey we sent out to as many colleagues as possible. It was structured around the UN's SDGs and asked colleagues to rank which issues were most important to them.

We also sent the survey to external stakeholders, including SHV Energy, UKLPG, NGOs, suppliers, corporate clients and domestic customers. Gathering this broad, industry-level perspective helped

us compare our internal responses with external ones. This gave us a really useful matrix, from which we could identify the most important issues for our business as a whole.

The result of all of this work – and the support of our colleagues and stakeholders – is what you see here today. A Responsible Business Plan that brings our brand promises to life, reflects what our colleagues and stakeholders think is important and supports our continued growth through being a focused and responsible business. 🕒

How you can make a difference

There's something for everyone in our Responsible Business Plan. There is nothing to stop everyone taking some action.

Calor's management team is fully behind the Plan; it can see the commercial benefit of training colleagues, offering opportunities to volunteer and reducing our carbon footprint. It also believes in doing the right thing.

Here are two easy steps to take:

1. The Responsible Business Plan gives you a framework to consider when you make a decision at work. Each time, consider the impact on our people, business and planet.

2. Take another look at the Plan and its targets. This time, choose one that you can contribute to. Tell people you're going to do it – and then do it.

If each one of us takes positive action towards a target, all our efforts will add up to something incredible. ☺

» If each one of us takes positive action towards a target, all our efforts will add up to something incredible. «

The question, then, is what can *you* do to make Calor a responsible business?



OUR PEOPLE



OUR BUSINESS



OUR PLANET

If you want to get involved, ask questions
or give us ideas, please contact us on:

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