



Corporate Social Responsibility Policy

6th December 2013

Corporate Social Responsibility Policy (CSR)

1. CSR: Our Commitment

Stobart Group (Stobart Group will be referred to as The Group from hereon) recognises the Corporate and Social Responsibilities it has to all stakeholders i.e. shareholders, customers, employees and local communities. The Group is committed to conducting business which achieves sustainable growth and fulfills all legal and moral obligations.

The Group aims to achieve its business objectives in a responsible manner, recognising the economic, social and environmental impacts of our activities.

Whilst the formal reporting of Corporate Social Responsibility (CSR) is relatively new to the business, the Group has been providing initiatives and cost-effective solutions to its customers for many years.

The concept of providing CSR is fully integrated into the long-term strategic approach for the business; thus reducing waste, improving the welfare of staff and engagement within the local community are paramount. The Group's innovative approach to the logistics industry and most of all the strength and wealth of experience throughout its workforce provides the foundations needed to deliver a successful and sustainable CSR.

Environmental Responsibility

We are committed to minimising environmental impacts as a result of our activities by continuing to reduce carbon and particulate emissions through a programme of innovation and waste reduction. We will deal with any environmental issues in a responsible manner i.e. conservation of water and energy resources, pollution reduction; and where possible the recycling of paper, card and plastic.

Business Integrity

We are committed to ensuring that our business is managed in all areas according to the highest ethical and professional standards. We will seek to influence our suppliers to operate to the high standards we expect from ourselves.

Communities

We are committed to continuing the annual charitable donations and to encourage staff and business units to support and develop initiatives within the communities in which we operate. We will support the requirements of the community in the local areas of our business, alongside the donations that the Group makes annually to its chosen charity.

Stobart People

We are committed to providing a safe and structured platform to enable all staff to grow and develop within the business. We are committed to treating all of our employees in a fair and equitable way; this is specifically to stop any discrimination on grounds of ethnicity, nationality, religion, sex or race.

2. CSR: Our Framework

The Group's vision is clear: To become the UK's leading provider of multimodal transport and logistics solutions. To achieve this vision, the Group has developed a strategic program aimed at delivering growth for the business and value for its shareholders. See full Stobart Group Strategy.

CSR is embedded within the Group's vision, reducing waste, increasing efficiencies, modal shift and system development are some of the key features that the Group places emphasis on to achieve their business objectives. The core values and commitments within the Group are highlighted in the CSR mission statement shown below which has become the template for embedding CSR into every aspect of the Group's activities.



To embrace responsibility for our actions and encourage positive impacts through our activities

3. CSR: Our Delivery

The Corporate Social Responsibility Committee (CSRC) is chaired by the CFO and includes many senior executives within the group with specific areas of expertise and responsibility including:

Fleet and Compliance, Group Finance, Environmental Reporting, Group Health and Safety, CSR, Corporate Affairs and Business Systems.

The CSRC sets out the guiding principles and direction for CSR within the Group and is responsible for reporting to the Executive board. As well as establishing the strategic vision for sustainability throughout the Group, this meeting is a forum for reporting on the status of on-going corporate responsibility and environmental initiatives across all the business functions.

The remit of CSRC includes developing:

- Strategy and objectives necessary to deliver the sustainability goals across economic, social and environmental areas;
- Implementing measurable targets for sustainability and the specific activities and initiatives to deliver these;
- Developing a monitoring system for the progress and success of these activities;
- Providing platforms for engagement and communication with all stakeholder groups.

4. CSR: Our Strategy

4.i Environmental Responsibility

The Group understands that the transport industry plays a major part in releasing emissions into the atmosphere and is fully committed to minimising its environmental impact. This will be achieved by reducing waste in the transport network; ensuring its drivers are trained to the highest standards in fuel efficient driving (see link to SAFED) and its continual vehicle replacement programme. This means the Group has one of the newest and most environmentally friendly fleets on the road.

The innovative approach by the Group to find new ways to reduce road miles have also contributed to the continual year on year reduction in CO2 emissions. See also [Stobart Group Environmental Policy and Manual](#).

Participation in industry forums such as the Logistics Carbon Reduction Scheme (LCRS) further strengthen the Group's commitment to tackling climate change not only from a Group perspective but within the industry as a whole and as such the Group continues to work closely with LCRS to achieve their 8% reduction in carbon intensity by 2015.

The Group also disclose emissions data to CDP on an annual basis and are Sedex members linked directly to customer procurement as part of their supply chain engagement.

The Group is committed to measuring and reporting emissions data and is working closely with external bodies to achieve independent verification. An operational control approach is applied to Group emissions with a base year set for 2009 displaying tonnes of CO2e per £m revenue. Base year emissions are shown below and a Group Emissions Recalculation Policy is applied to all data.

CO2e – 2009 (tonnes)	UK	Ireland	International	Group Total
Scope 1	235,300	2,830	7,270	245,400
Scope 2	8,740	16	4	8,490
Tonnes per £m revenue				589

4.ii Business Integrity

The Group has a clear approach to its business integrity which underpins the Group's values of transparency, mutual dependency, collaboration, professional application, innovation and sustainable profit growth. The Group's strategy is developed so that the Group will conduct its business to the highest standards. See also [Stobart Group Quality](#), [Whistle blowing](#), [Ethics](#) and [Anti-Bribery](#) Policies.

The Group regards suppliers as partners in our work and we work with them to provide our expectations in the delivery of products and services. The Group is committed to working with its suppliers on the understanding that products are sourced and disposed of in a way that the environmental impact is minimised. The Group works to ensure that the welfare of others and labour conditions within our industry supply chain meet the recognised standards.

4.iii Communities

The Group contributes to the communities in which it operates, particularly to those local to its operational activities, through supporting community initiatives and charities. Each business unit is encouraged to develop schemes which will support the requirements of the community in the local area alongside the donations that the Group makes annually to its chosen charity partners. A Group wide employee donation scheme is available to all employees meeting the set criteria which allows a £50 donation per annum to a cause of the individuals choice. See also [Stobart Group Charity Policy](#).

4.iv Stobart People

The Group provides its employees and prospective employees with equal opportunities and we recognise that our reputation is dependent on the effectiveness, quality, and skills of our employees through training. We are committed to treating all of our employees in a fair and equitable way; this is specifically to stop any discrimination on grounds of ethnicity, nationality, religion, sex or race. Opportunities are available to disabled employees in line with their abilities on equal terms with other employees. See also [Stobart Group Equal Opportunities Policy](#).

Health and Safety

The Group is fully committed to the Health and Safety of its workforce, we recognise that worker involvement is key to a positive Health and Safety Culture. Working safely leads to a healthy, safer life for all involved and also greater efficiencies for the Group.

The Group has a proactive approach to managing risk and follows a robust procedure to identify all hazards and risk management. The aim is to achieve continuing improvements in our health and safety performance through the use of solid internal and externally audited health and safety management. See also [Stobart Group Health & Safety Policy](#).

3P

Stobart 3P represents 'People, Performance and Progress'. The 3P brand encompasses all of the continuous personal development programmes within the Group; including Introduction to Management (ITM), Introduction to Leadership (ITL) and Leadership Development Programme (LDP). These programmes were launched in September 2010, with the intention to collaboratively enhance the Group's talent management strategy. Our people are the foundation of our success and we want to ensure that they have every opportunity to grow and develop within the business.

Health and Wellbeing

The Group is fully committed to providing a programme of health and nutrition delivered through the extensive employee induction and continual refresher training given. Our nutrition in the workplace initiative supports our view in providing a health conscious environment for our employees.