

GLOBAL MANUFACTURER OF PRE-CONNECTORISED, BLOWN FIBRE CABLE & DUCTED NETWORK SOLUTIONS

PLAN EMTELLE TOMÓRROW Sustainability Strategy 2014-2024







INTRODUCTION

The aim of the **PLANET** strategy is to communicate the company's sustainability plans throughout the entire organisation as well as to any interested stakeholders.

Our sustainability strategy outlines the company's main goals for the next ten years, with targets for: reducing emissions, improving resource sustainability and reducing waste.

PLANET aims not only to target environmental but also social sustainability with a section on being an ethical company that cares for its employees, partners and clients while treating them fairly and respectfully.

KEY TARGETS

From each of the four sections, Emtelle has selected an aim which we consider to be most important. The key targets in each of the following areas are:

- A. Reduce Emissions → On-site Renewables
- B. Improve resource sustainability → Changeover efficiency
- C. War on Waste → Mixed waste recycling
- D. Fair employer and partner \rightarrow Health and Safety

This is a reviewed sustainability strategy, published in Nov 2019, which details the progress we have made towards our 2024 sustainability targets and target periods.



STATEMENT FROM CEO

Sustainability is at the core of Emtelle. For years we have exceeded the legal requirements in environmental and social sustainability, and we are now leading the way in sustainable business practices for industry. We have always believed that the business ecosystem, society and the environment are interconnected and in order to succeed, all three must flourish.

Emtelle is committed to business growth within our planetary boundaries and in being a fair, ethical employer.

Our **PLANET** sustainability strategy outlines our aims and targets and shows our progress towards our 2024 commitments. **PLANET** has the full support of staff at all levels of the organisation and has been widely praised by sustainability experts. Here at Emtelle we are determined to provide the next generation with a profitable, moral, sustainable organisation and future.

TONY RODGERS, CEO



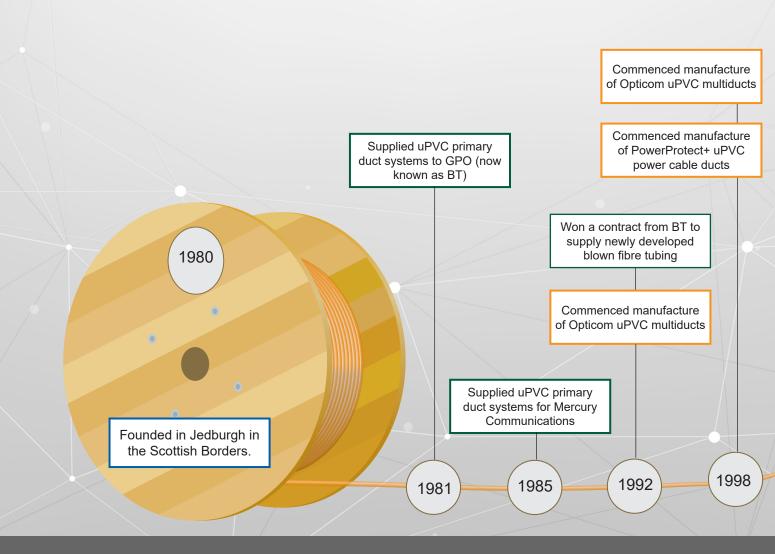
4 DECADES OF EMTELLE'S SUCCESS



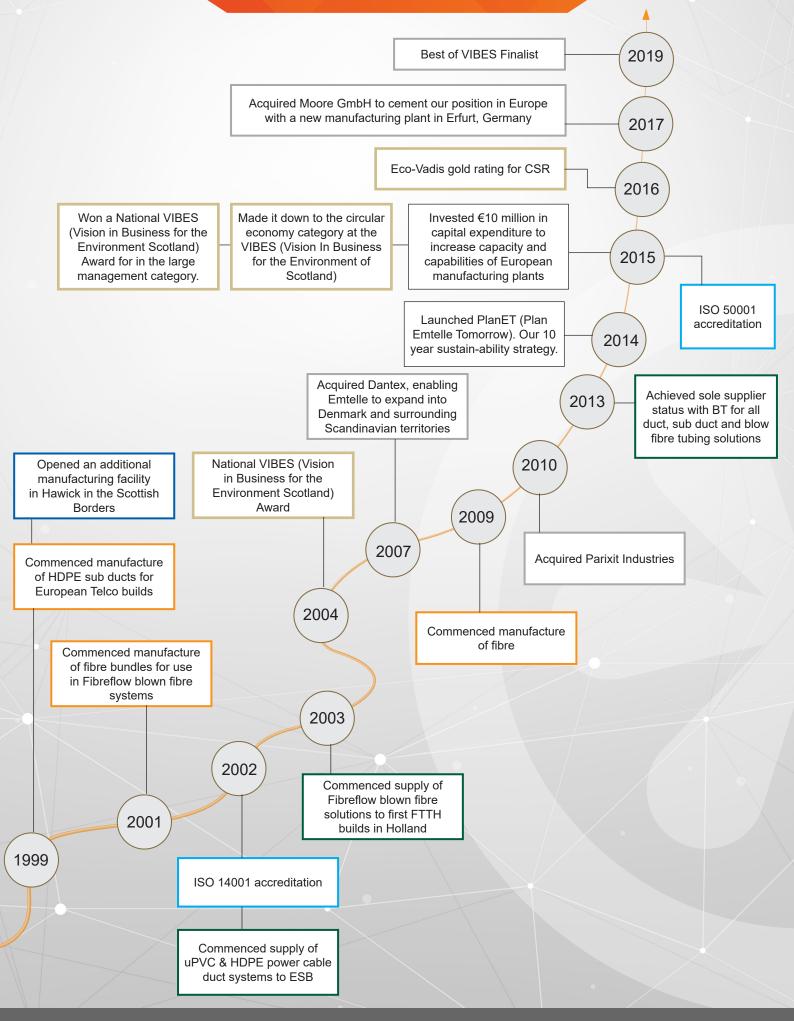








BMTELLE





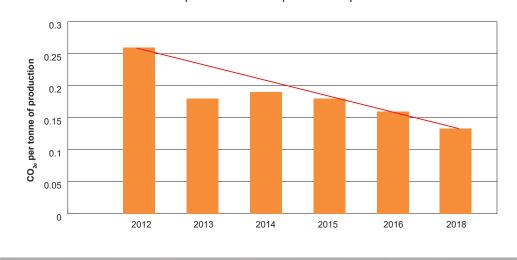
EMTELLE'S CARBON FOOTPRINT

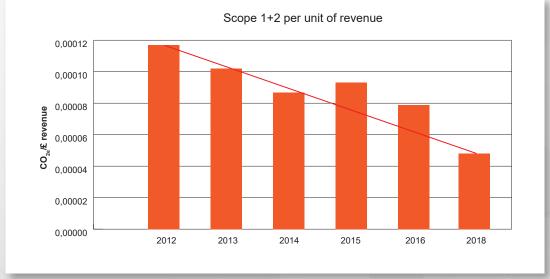
All of our emissions and our carbon footprint are verified by Carbon Footprint Ltd. Our carbon footprint is considered to be our combined scope 1 and scope 2 emissions.

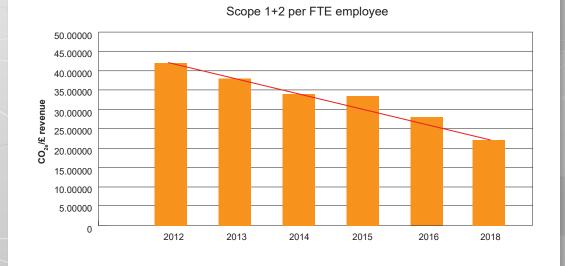




Scope 1+2 emissions per tonne of production







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EMTELLE'S CARBON FOOTPRINT

In 2016 we extended our reporting scope to now cover all scope 3 emissions that are deemed to be relevant and/or significant.

Therefore we are now reporting on emissions scope 1, scope 2 and scope 3 emissions covering the following categories:

- 8 Electricity consumption
- 🛞 Fuels
- 🛞 Business travel
- Waste generated in operations
- 🛞 Purchased goods and services
- 🛞 Upstream and downstream transport and distribution
- All of which are verified to ISO 14064 standard.

We use the current DEFRA GHG conversion factors to calculate our carbon emissions.

2018 CARBON

Purchased materials 88% Other 12%

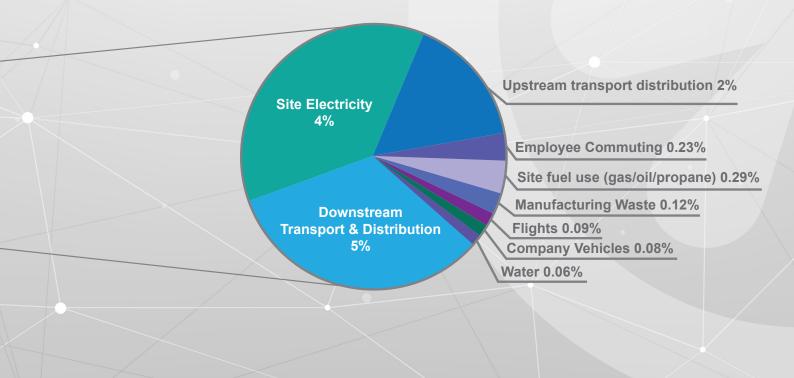




Scope	2016	2017	2018	% change on baseline year	% change on previous year
Scope 1	398.36	479.24	483.66	+21.4%	+0.9%
Scope 2	6,955.95	6,603.41	4,914.47	-29.4%	-25.6%
Scope 3	145,125.78	135,749.86	124,117.02	-14.5%	-8.6%
Total tCO ₂ e:	152,480.09	142,832.52	129,934.08	-14.8%	-9.0%

Scope 1 & 2 figures for benchmarking								
Total tCO ₂ e	7,354.31	7,082.66	5,398.13	-26.6%	-23.8%			
tCO ₂ e per £M Turnover	78.16	61.59	46.44	-40.6%	-24.6%			
tCO ₂ e per employee	28.29	23.00	21.59	-23.7%	-6.1%			
tCO ₂ e per tonne of product	0.17	0.15	0.12	-29.4%	-20.0%			

FOOTPRINT: 129,934.08 TONNES OF CO2E



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Emtelle UK Limited is committed to going beyond the legal requirements and in being a socially responsible organisation.

- Our Hawick factory is built on a brown field site which used to be the towns landfill
- With our Hawick site situated next to the River Teviot, we carry out river clean ups during awareness days to promote events such as world ocean day.
- In the last decade we have planted 600 trees around our Jedburgh site in partnership with the local primary school to improve biodiversity. These trees now provide a habitat for many different species.
- We sponsor local events and clubs, such as Hawick Waverley FC, Hawick Common Riding and My Name'5 Doddie Foundation.
- We work with our local communities to reuse waste: scrap orange rope is given to Borders Scrap Store for arts and crafts activities and local events to use as barriers.
- We provide the B4RN group (a community driven broadband installation project in rural Lancashire) with products and ongoing training and assistance, to develop their initiative to provide rural broadband solutions.
- 🛞 We have a reed bed system which provides sustainable waste water processing and is good for biodiversity.
 - We voluntarily complete a global climate change questionnaire called the Carbon Disclosure Project (CDP) where our actions and commitment to climate change is rated and compared with thousands of other companies around the world. Emtelle was rated above average in almost all categories of the CDP and was rated to be in the top 14% of the highest scoring companies.
- We are supporting the 3 to 1 Project to bring a sustainability centre to the Scottish Borders, with the aim of educating everyone on how to work towards a net zero carbon economy.
- We have teamed up with the local branch of the British Heart Foundation and have collection points in our car parks.
- 🛞 We provide the local Hawick branch of Scottish Fire & Rescue to use our facilities for training purposes.





A. REDUCE EMISSIONS

As a global organisation Emtelle has a responsibility to the planet to ensure that the company is as sustainable as possible. We will challenge all aspects of our energy use and develop new ideas and methods to reduce our carbon footprint.

1. ENERGY USE IN FACTORIES

Target:

Review energy use in all factories by Q4 2014 and develop plans to improve each site's energy efficiency by 20% by the end of 2019.

Progress:

Three of our four sites are now ISO 50001 registered with the last site planned to achieve this by Q4 2020.

2. ENERGY USE IN OFFICES

Target:

Review energy use in all offices by Q4 2014 and develop plans to improve each location's energy efficiency by 20% by the end of 2019.

Progress:

We have reviewed our office energy use as part of our ISO 50001 work and we have created a plan for what improvements need to be made to reduce energy. This should allow us to achieve our target.

In the past year we have carried out a number of energy reduction improvements including replacing all office lights to LEDs.





3. KILOWATT CHALLENGE

Target:

Introduce an annual "Kilowatt Challenge" by Q3 2014 to encourage and reward employee ideas on how to reduce factory and office electricity consumption.

Progress:

In 2015, we introduced a "Kilowatt Challenge" to encourage and reward employee ideas to reduce electricity consumption. These ideas are then judged by the HSE Manager and a green prize is awarded to the employee with the best idea. This competition is now held annually.

4. VIDEO CONFERENCING

Target:

Improve all Emtelle video and web-conferencing facilities to reduce un-necessary business travel by the end of 2016.

Progress:

We have invested in and installed video and web conferencing services such as SKYPE for Business to reduce unnecessary business travel.

5. ON-SITE RENEWABLES

Target:

Review the potential for on-site renewable energy by the end of 2014.

Progress:

In 2016 we installed a ground source heat pump at our Hawick site replacing the kerosene tank with renewable technology. We plan to extend the installation of renewables in the future.

In 2019 we are re-evaluating our options to install large scale renewables on UK sites in line with our German site.











6. SUSTAINABLE TRANSPORT POLICY

Target:

Introduce a sustainable transport policy by the end of 2016 and reduce company car emissions by 12% by the end of 2020.

Progress:

Our business car emissions decreased by 6.48 tonnes of CO2e or 8% from 2015-2016. emissions. This is a reduction in car emissions of 4% from our 2013 base year. In 2016 Emtelle Introduced a new sustainable travel policy which is review and signed off annually by our CEO. Emtelle has continued to promote electric cars and provides 4 electric charge points that are free for employees and customers to use.

7. CARBON OFFSET POLICY

Target:

Review the potential of introducing an Emtelle Carbon Offsetting Policy in order to neutralise carbon emissions by Q1 2020.

Progress TBC:

We are investigating carbon offsetting in order to neutralise our carbon emissions and are in the process of getting quotes and looking at different offsetting projects available. We are working towards this target and hope to achieve it on time however no affirmative action has yet been taken.

8. CARBON FOOTPRINT REPORTING

Target:

Continue to report on our carbon footprint in order to allow a comparison between yearly footprints and review progress. Reduce our carbon footprint by 3% per year.

Sub Target:

Develop a science-based target for scope 1 and scope 2 emissions by Q4 2019 for all of Emtelle Group.

Progress:

We have expanded the scope of our carbon footprint to give a more accurate representation of the organisation. Emtelle now have a new target to establish a group carbon footprint by Q1 2020. We have committed to set a science-based target through the Science Based Targets initiative by end of 2019. The Science Based Targets initiative is a collaboration between CDP, the United Nations Global Compact, World Resources Institute (WRI) and the World Wide Fund for Nature (WWF).



9. BUSINESS FLIGHTS

Target:

Reduce business flights distance travelled (km) by 20% per full time equivalent staff employee by the end of 2018.

Progress:

We flew 1.3 million kilometres less in 2016 compared to 2015, a decrease of 76%. We also met our 2018 target of reducing our businesses flight distance travelled by 20% per full-time equivalent employee. Having reduced our km travelled by 74% since 2014. we have managed this by establishing local representatives in different regions around the world reducing the requirement for long distance travel.



10. COMPRESSED AIR EFFICIENCY

Target:

Review all production sites' compressed air efficiency and leakage to reduce greenhouse gas emissions associated with production by 20% by 2019.

Progress:

We are working towards our target although this is an ongoing problem. We service all compressors regularly and any leaks found are repaired. 99% of leaks are repaired during factory shutdowns. We have reduced our factory working pressure to the lowest viable level, reducing it by 15% in one case.





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production of its products. We will assess the possibility of developing products with entirely sustainably sourced materials and, where not possible, use any unsustainable materials efficiently and in moderation.

1. LOWER WEIGHT PRODUCTS

Target:

Review the potential to develop lower weight products by the end of 2015.

Progress:

We have been able to reduce some products by 20% weight with plans for a further 10%. This is now a standard part of new product development.

2. CHANGEOVER EFFICIENCY

Target:

Decrease material wastage at product changeovers in order to reduce scrap material by 20% by the end of 2016.

Progress:

Our scrap per tonne of production was decreased to below target. This has been assisted by the adoption of the "One Emtelle" project to achieve lean practices.

3. CONTINUOUS PRODUCTION

Target:

Develop plans to introduce continuous production to some factory lines in order to reduce start-stop material wastage by the end of 2015.

Progress:

We have continued to develop new ideas to reduce start up scrap by moving towards continuous production. In 2018 all lines apart from bundle lines are capable of continuous production.







4. INKS AND SOLVENTS

Target:

Review alternative methods to reduce use of inks and solvents by 40% by the end of 2014.

Progress:

We have continued to work on reducing ink and solvent use in 2016. Jedburgh has invested in 10 new laser printers while also removing an ink printer. Hawick is currently conducting trials on laser printing, however, lasers wont work with some of our products as they contain carbon. We are therefore trying to change our product material to address this. Moving to laser printing and away from the traditional ink and foil has a number of advantages including reducing general waste by removing the foil tape waste and also improving maintenance as ink printing often results in down time as it can get pulled into the machine.

5. WATER USE

Target:

Review water use in all offices and factories by the end of 2015 and install grey water systems by the end of 2020 in order to reduce water use.

Progress

We monitor our water use for both sites and have bore holes and process water reuse systems with a cooling tower and a free cooling plant.

6. GENERAL CHEMICAL POLICY

Target:

Update our Chemical and Environmental Policy towards our colourant suppliers taking into account EU legislation including REACH and ROHS by Q3 2014.

Progress:

Although we achieved this target in 2014 we have continued to make improvements in 2015 and we have taken the voluntary decision to stop using lead stabiliser in our PVC ducting. Our supply chain is monitored to current compliance requirements.





C. WAR ON WASTE

Emtelle wishes to salvage as much of the waste from production as possible. In order to do so, we will continue to develop recycling loops and look for solutions to deal with waste that is not currently recycled and conserving valuable resources.

1. MIXED WASTE RECYCLING

Target:

Research and review solutions to recycle mixed waste products by the end of 2015.

Progress:

We have researched and reviewed solutions to recycle our mixed waste in conjunction with Aberdeen University and have achieved our 2015 target. We have since decided to try and re-use our waste instead of recycling and in 2016 we trailed a product that was made out of our mixed waste that currently goes to landfill. This could potentially divert 400 tonnes of waste from landfill each year and reduce CO2 emissions. Progress is now being made towards this target.

2. WASTE TO LANDFILL

Target:

Reduce waste to landfill by 100% by the end of 2024.

Progress:

At the moment we are not on track to achieve our 2024 target and our waste figures increased last year however we are working towards this and are confident that we can achieve our target by 2024, in conjuction with target number one

3. REDUCE OUR NURDLE/PLASTIC PELLETS

Target:

Commit to making nurdle/plastic pellet loss to the environment to zero.

Progress:

Having signed up to the British Plastic Federation's 'Operation Clean Sweep' pledge in 2015. We have reevaluated the use of plastic pellets/nurdles in our manufacturing process and are currently undergoing a phased transition to liquid ink which is more environmentally friendly. Liquid colour is made from a mix of sustainable plant based oils and contains no carcinogenic chemicals.







4. PRODUCT REUSE

Target:

Expand our product reuse programme to incorporate all product types by 2024.

Progress:

We are working towards this target and are always looking for ways to re-use products. We have a national recycling loop for our wooden drums. A sub-contractor collects our drums back from customers and if possible repair them and return them to us for re-use. In 2016, this resulted in an environmental saving of 903 tonnes of wood being reused and an economic saving of 54% compared with the cost of new drums. Our plastic scrap is sent to a local recycler to be ground up and the plastic pellets returned to be made into new products. In 2018 we reused 780 tons of scrap by having it re-processed to a compound. Emtelle has now also started to grind up some of our own waste on site thus reducing transport emissions.

5. PAPER USAGE

Target:

Reduce the use of printer and photocopier paper by 25% by the end of 2020 and review the potential to have paperless offices.

Progress:

We ensure that all of the paper we purchase is certified by the Forest Stewardship council (FSC), which manages the harvesting and replanting of trees used in the paper industry. Our paper is also made from 80% recycled pulp and 20% virgin pulp.

6. SUSTAINABLE PACKAGING MATERIALS



Target:

Ensure that the amount of packaging produced from sustainable raw materials (including recycled materials) is at least 90% by the end of 2017.

Progress:

We met this target three years early and have since changed this target from 80% to 90%, with the aim that eventually all of our packaging will be from sustainable materials. We are investigating packaging made from recycled materials.

6A. SINGLE USE PLASTIC PACKAGING

Target:

To eliminate the use of virgin single use plastic packaging by 2024.

Progress:

Review of all packaging currently in use. Supply chain to work with suppliers to bring about changes required.



D. FAIR EMPLOYER AND PARTNER

Emtelle is committed to being an ethical and socially responsible company. We will work fairly with our partners and build good business connections with our clients. We will also extend our links with the community and continue to support local organisations.

1. WORKING WITH THE LOCAL COMMUNITY/SPONSORSHIP

Target:

Continue to have a budget set aside for sponsoring local events each year. Any money remaining in this budget at the end of the year will be donated to a local charity.

Progress:

When we get inquiries about sponsorship our management team review them and they are put to a vote. In 2018 we sponsored a range of local events including:

- 🛞 A local charity
- 🛞 Traditional historic celebrations
- 🛞 Local rugby club
- 🛞 Local football club

We also aided in a high speed fibre installation in our local community by supplying materials free of charge to our town hall.

2. EQUAL OPPORTUNITIES

Target:

Continue to comply with the Equality Act 2010 and to promote equal opportunities for all Emtelle employees.

Progress:

We are committed to promoting equal opportunities in employment. Employees and any job applicants will be treated fairly and receive equal treatment regardless of age, disability, gender reassignment, marital or civil partner status, pregnancy or maternity, race, colour, nationality, ethnic or national origin, religion or belief, sex or sexual orientation (the "Protected Characteristics").





3. EMPLOYEE TRAINING

Target:

All new operators to be trained to grade 2 level by their first anniversary.

Progress:

This is a new target that has been added in this year following a redraft of this section. In 2016, Emtelle continued to run training courses on topics such as waste reduction, knife safety, behavioural safety, the importance of a tidy organised workspace and more. We have continued to review training needs and update and introduce new training courses as required.

4. EMPLOYEE FEEDBACK

Target:

To receive 2 accounts of feedback per employee, per year.

Progress:

We have continued with our feedback programmes from last year where employees are encouraged to communicate their opinions on a range of topics such as hazards, environmental ideas and more. We encourage employee feedback and all feedback is taken on board.

5. EMPLOYEE SAFETY AND ACCIDENT

Target:

Reduce our accident frequency rate per 100,000 hours to 0.2 (a reduction of 86% from our 2013 base year) by 2020.

Progress:

We have made progress on health and safety having reduced our accident frequency rate per 100,000 hours by 69% from 2013 to 0.33 for 2018. We still have a way to go to meet our 2020 target but we are taking a number of steps to reduce this further including continuing to train staff on health and safety with a focus on prevention and setting up a Safety in Manufacturing Plastics (SIMPL) strategy. SIMPL is an industry-led initiative to commit to improving health and safety across the plastics industry. Although this is a new and ambitious target this year, we are confident that we will meet our 2020 target on time as this is an area of priority.







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6. SUSTAINABILITY CHAMPIONS

Target:

Select and train a sustainability champion in every factory and office by the end of 2015. This champion will be responsible for overseeing the company's sustainability progress in their allocated location, and helping employees with issues relating to sustainability.

Progress:

We have selected and trained a sustainability champion at each site and in 2016 created a PlanET team responsible for environmental and social sustainability for each site.

7. MARKETING

Target:

Launch a marketing campaign by the end of 2016, supporting PlanET and encouraging all employees and interested parties to participate in the strategy.

Progress:

We hand out our sustainability strategy, PlanET to customers and suppliers and it is available for visitors to take a copy away at different locations through-out the sites (reception, meeting rooms, etc). A marketing campaign has been created and we ensure the Emtelle group participates more where possible.

8. SUSTAINABILITY MEETINGS

Target:

Organise a schedule of sustainability meetings by the end of 2014 in order to ensure an accurate and consistent message continues to be communicated throughout the company.

Progress:

There has been no change since last year, sustainability meetings are still held every 6-8 weeks as part of the work, safety and environment committee.

9. VALUE CHAIN

Target:

Work with Companies in our value chain to ensure that we operate within a socially and environmentally sustainable supply chain.

Progress:

This is a target introduced in 2015. We have continued to work with suppliers, subcontractors and customers to promote social and environmental sustainability. In 2016 we worked with one of our suppliers Marlin Industries to aid in acquiring Vibes Award Winner status.









CONCLUSION

Emtelle is fully committed to sustainability and we are always looking for ways to improve. We are ISO 14001 and ISO 50001 accredited and have won a number of VIBES (Vision In Business for the Environment Scotland awards) over the years, which shows our commitment to sustainability. We are now a 2019 finalist in The Best of VIBES (20th anniversary) Award. We are also setting science based targets in line with 1.5 °C climate change targets.

This sustainability strategy was created in 2014 and is valid until 2024, during this time our strategy will be evolving and new targets and aims may be added in the yearly review if and when deemed necessary. This year we have made a number of changes from last year's issue having redrafted our Fair employer and partner section following feedback.

Our sustainability strategy has received high praise from many sustainability experts from SEPA (Scottish Environmental Protection Agency), Zero Waste Scotland, and more.

Commenting on our sustainability strategy Vibes Awards said "The judges were impressed with the sustainability plan (PLANET) which they felt was a great way to track, advertise and measure sustainability performance" from Vibes awards.

2018 MAIN ACHIEVEMENTS

- 🛞 Eco-Vadis gold rating for CSR
- 🛞 UVDB achilles assesment 100% rating for H&S, Env, Quality and CSR
- Successful transition to ISO 45001 from OHSAS 18001



If you would like more information about sustainability at Emtelle or would like to comment on our sustainability strategy, please visit our website: www.emtelle.com or email info@emtelle.com

You can also keep up to date with what Emtelle is doing by visiting our twitter account (@EMTELLE) or via LinkedIn (www.linkedin.com/company/emtelle)

We appreciate all feedback that we receive.





CONTACT US

Emtelle Head Office

Haughhead Hawick TD9 8LF United Kingdom

Section 44 (0) 1450 364 000
Section 44 (0) 1450 364 000
Section 44 (0) 1450 364 000

Emtelle Scandinavia Vardevej 140 7280 Sønder Felding Denmark

Section 28 84 88
Salg@emtelle.com

Emtelle GmbH An der Flurscheide 20 99098 Erfurt Germany

Section 449 (0) 361 654 330
Mathematical ma

Emtelle Asia Pacific

No. 4, Jalan PJU 1A/8 Ara Damansara 47301 Petaling Jaya Selangor, Malaysia

∽ +60 (0)3 7845 4406
⊡ info-my@emtelle.com





www.emtelle.com