

DENSO Manufacturing UK Ltd

ORGANISATION SIZE / Large business (251+ employees)

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BRIEF SYNOPSIS OF YOUR CSR APPLICATION

DENSO Corporation has a global philosophy of “Contributing to a better world by creating value together with a vision for the future”, whose long-term policy is encompassed in the slogan of “Bringing hope for the future of our plant, society and all people”

DENSO Manufacturing UK Ltd has a Corporate Social Responsibility framework with three main strategy pillars: Environmental Conservation, Social Contribution and Valuing Associates.

Through our Environmental Conservation pillar, we have sought to support the protection and regeneration of the environment, for the enjoyment of the local public, and promote and support environmental conservation and appreciation across our workforce the public and local educational establishments. This has included:

- Energy reduction initiatives through LED lighting, and energy wastage identification initiatives (e.g. air leaks).
- Environmental impact mitigation through waste stream management with strong focus on hard to manage waste.
- Work closely with local primary schools to support the education of young people towards environmental preservation.

Through our Social Contribution Pillar, we seek to work in collaboration with local good causes and educational establishments to challenge social issues. This has included:

- Supporting charities through company promoted fund-raising activities
- Supporting the regional recognition and celebration of individuals and groups who have contributed to the local community through the sponsoring of awards ceremonies.

Through our Valuing Associates pillar we seek to ensure strong company governance, a safe place of work and a development pathway that promotes and engages employees towards maximizing their potential and the recognition and celebration of their achievement. This has included:

- Recognising & celebrating employees ideas that a improve safety in their workplace, and then applying across the broader company
- Recognising & celebrating employee’s performance for engagement toward KPI’s that help maintain a stable employment environment.

OVERALL SUMMARY

1.0 CSR Environment - Energy: *

Energy saving targets and initiatives are included in DMUK’s main policy deployment document. This sets out our targets for CSR which includes energy, CO2 reduction and waste management across the coming three years and as a company we are accredited

to ISO14001: 2015 standards (see appendix Env 1 & 1a)

We have implemented a number of initiatives including:

Every 4 years, we engage an external energy auditor to undertake an ESOS audit and

assist in the identification and verification of energy saving initiatives that may not be so apparent to internal personnel (see appendix Env 2 & 2a)

Employee engagement activities to identify compressed air leaks, and thereby reduce wasted energy. This has resulted in circa

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221k kwh / 78t/CO2 saving and circa 10% of the workforce being involved in leak identification / energy saving initiatives (see appendix Env 3 & 3a)

The adaptation of high efficiency air guns to reduce compressed air, resulting in circa 160k KWH / 56t/CO2 energy savings.

We continue to sign up and participate with manufacturing sector specific Climate Change Agreements, which sets challenging energy reduction targets each year and which then informs our internal energy saving G&O's / initiatives – leading to plant wide focus.

We hold an annual energy focus month during which promote and engage employees towards energy saving improvement ideas and poster competitions, whilst also undertaking energy saving audits (e.g. equipment switch off). We also undertake regular toolbox talks to promote and engage associates towards environmental good practices (see appendix Env 4).

We have volunteered our local facility for consideration towards DENSO's global eco-company certification scheme. This provides the opportunity for us to share our ideas and successes on a global and regional platforms, whilst also benefiting from a further external evaluation of our energy / environmental saving initiatives (see appendix Env 5)

In the previous years, we have continually improved on our energy saving activities, which has seen us exceed our reduction targets year on year. In 2018, we achieved a 7% reduction in energy consumption against 2017.

1.2 CSR Environment - Natural resources: *

As an organization, we do not utilize significant water. However, we recognise the need to preserve this precious resource.

We have installed push taps to provide automatic shut off and prevent water wastage; we collect rainwater from the roof of our facility (16,000 sq. mtr), which we have used to top up out two onsite eco-ponds which are situated within our 4 acre Eco-Garden.

1.3 CSR Environment - Travel: *

The company's approach towards CSR Environmental Travel is contained within its Company Car Policy. As an international company, international business travel is required via scheduled air flights and therefore the scope for influence by the Company is limited.

However, the Company recognizes the ability to influence environmental travel impact via company and fleet vehicles, and our supply chain.

The company uses hybrid vehicles as pool cars for UK wide travel and sets CO2 upper limits for its company vehicles. Out of a total fleet of 22 vehicles, 8 are hybrid engines, and in October 2019, the company has taken delivery of its 1st fully electric vehicle. The company is deploying a company car strategy that will see the reduction in diesel engines from its fleet and improvement in the provision of electric car charging points for Associates and Visitors to the Company (see appendix Env 6)

The company has also undertaken activity within its goods supply transport provider to reduce the impact towards the environment in the transport of parts & goods into the premises. The transport of goods to the company's customers is outside the scope of influence (see appendix Env 7)

1.4 CSR Environment - Environmental supply chain management: *

Under our General Purchasing Agreement (GPA) we require our suppliers to recognise the DENSO Code of Conduct, which has been established at a European level. This sets out DENSO's expectation towards the ethics of our supply chain.

In addition, our Procurement function maintains a supplier confirmation list regarding supplier certification towards ISO14001, which is being actively followed up and promoted within 2019.

DMUK is certified to ISO14001: 2015 standards, the activity of which extends to supply chain management towards sustainability.

(see appendix Env 1a & 8)

1.5 CSR Environment - Waste: *

DMUK recognises the importance of strong waste management for the protection of the environment.

Through our Health, Safety and Environment Policy, our certified ISO 14001: 2015 environmental management system and our company policy deployment we seek to focus on, engage to and continually improve our waste management processes. (see appendix Env 1 & 1a)

We have embedded waste segregation protocols and procedures, which include strong recycling activities. This goes beyond our process waste, and includes such additional activities as battery and clothes recycling stations for employee personal use.

Since 2015 we have been zero to landfill and are currently embarking on a zero to incineration project. We have recently introduced reusable drink cups to remove the need for cardboard cups within our premises, which we estimate will reduce 1 tonne of cardboard waste annually.

See appendix Env 9

We have undertaken an initiative to reduce waste created by protective gloves (required as part of our PPE), which were traditionally incinerated. We have identified a washing process for used gloves whereby they could be washed and re-used rather than going for incineration as hazardous waste. Over 6000 items have now been washed and returned to service saving over ½ Tonne of material that would have been incinerated with the associated benefits to the environment, the raw material that hasn't been used in the making of new gloves with the associated energy usage, waste that is generated during the manufacturing process and the carbon footprint in moving around the raw materials and new gloves for distribution. We collaborate with other companies on environmental activities through BESST, which includes the above activities for scheme expansion into other companies (See appendix Env 10)

We undertake regular briefings and promotion activities that include waste management as part of our Environmental Conservation CSR pillar. (see appendix Env 4, 11 & 12).

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2. CSR Workplace *

We recognise that our employees are fundamental to our success, and have in place a breadth of policies and practices that seek to engage, retain and develop our employees and their potential. We maintain company policies that support strong company governance and practice, a pillar of our CSR framework, with a paternalistic view. These are available to all via our Lotus Notes database and any amendments to policy are discussed with our employee consultation group as part of the consultation process with employees (see appendix Workplace 1a-1g)

We offer a range of benefits for our employees, including a fully company paid Healthcare cash plan that all employees are enrolled into. The company pays any employee statutory liability on this benefit. We have an on-site occupational health service provision, which includes a full medical at employment commencement. This has been beneficial in helping detect early sign health issues for our employees (see appendix Workplace 2)

Furthermore, we seek to recognise and promote long-service through 10, 20 & 25 year recognition programmes, which are promoted within the plant, as well as skills recognition (Koutei-Pro) and Quality (Eagle Eye) recognition.

Across the years, we have continued to progress recognition and promotion internally, which can be evidenced through the number of pay grade changes (promotions) implemented year on year and internal recruitment adverts. (see appendix workplace 3 & 4)

In 2018, we opened a purpose built Skills Promotion Centre that is developing a framework of training & educational programmes that cover job required, managerial and career developmental skill and knowledge programmes. This is continued investment into the skills and working environment for our employees and can be evidenced towards our CSR workplace activity. We regularly communicate our CSR workplace activities towards our employees, as can be seen in our most recent Town Hall presentations made to every employee in the company.

Evidence of some of the communication slides can be seen in appendix Workplace 4, which includes plant investment and skills / service recognition.

We currently have a number of apprenticeships in programme, plus offering Year in Industry placements and STEM development activities. In 2018, DMUK was the main sponsor for STEM activities in the local area.

Evidence towards the Skills Promotion Centre programmes can be seen in appendix Workplace 5 & 5a

3. CSR Community *

What level commitment to do you have? How long have you been involved? What kind of support does your organisation offer? Do you provide volunteering, sponsorship, financial giving, partnerships etc.? Do the projects you support provide Impact reporting on your involvement? Value to the community: have communities or areas benefited? Can you provide evidence of support through supporting literature, press releases etc. ?

DMUK's CSR activities are long-standing and across at least the last 10 years, we have been an active participant in supporting the local community. Previously, the company's activities focused mainly on fundraising, and donations to local good causes. In the last 3 years, we have sought to help employees understand how an organisation can work in collaboration with the community, with tangible actions. Now, the company has established 9 community projects which aim to support the local community across health & social issues and the environment, with tangible results that employees can see, understand and get involved in.

Examples of such support towards the 9 Community projects are:

sponsorship towards a local Wellbeing Café which provides advice and contact for the public on social issues (the company paid for the refurbishment and infrastructure of the Café)

Volunteering support for Age UK Telford and Wrekin towards their Celebration of Age activity – assisting with the aged to enjoy a fun day out of entertainment

The donation of 5 AED devices for strategic placement in the community

Financial sponsorship for the Wappenshall Canal Trust towards a canal basin reclamation project

We continually promote our CSR activities within the workplace through visual displays, dedicated communication wall space, team briefing updates. In the 2019 Investors in People assessment, circa 73% of employees responded that the company has a positive impact on Society (see appendix Community 2)

In 2017, we held a token led voting system to identify an 'Associate Charity of Choice' which would form one of the Company's Community Projects for the future. Some 7300 token were used in the process, some 146% of the original token plan.

Many of our CSR workplace activities resonate with employees on a personal level. Where feasible, we match fund any employee fund-raising activity outside the workplace; furthermore, we also align our promotion activities towards employee hobbies, such as running, cycling etc.

Our approach has been recognised within the Telford area, and in 2018, the Company was awarded the Social Responsibility Champion as part of the town's 50th birthday celebrations – this was following public nominations and enabled the company to engage with other employers in the area as examples of how an organisation can work in collaboration with local good causes for the betterment of the community.

The sponsorship and redesign of a local traffic island as a focal point for community messaging such as Road Safety messages, including holding a competition for local primary schools to create Road Safety visualisation for the traffic island (now called the Community Island)

Supporting homeless charities in activities to raise awareness of rough sleeping in the Borough

Working with local education establishments on environmental education and STEM activities, utilising our Eco-Garden as a backdrop for environmental education

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Since April 2018, we have undertaken over 35 volunteering or educational activities towards our 9 Community Project. This excludes fundraising and donation activities.

Examples of our CSR work in the community can be evidences in appendix 'Community'

4. CSR Philanthropic *

Do the projects you support provide Impact reporting on your involvement? Do you communicate your support to your staff, customers and the wider public audience? Do you promote your support on your literature, website and via your organisation's social media channels? What level commitment to do you have? How long have you been involved? What kind of support does your organisation offer?

Although we are very active towards our projects, we do not necessarily require impact reports as we have felt that this may be considered an additional burden. The majority of our projects are local community based, and therefore, the evidence of impact we feel is already tangible (e.g. the usage of the Community Café, the utilisation of the Eco—Garden for educational purposes).

Through our activities, we attempt to demonstrate how business and the community can work together for the betterment of the community, and that as a company, we be a corporate citizen.

We regularly promote our activities inside and outside of the company as an engagement tool for not only our employees, but also as an example and motivator for other companies within the area.

Through our CSR projects can attempt to positively achieve both a short-term and long-term future impact.

In 2018, DMUK was celebrated as the Telford Community Responsibility Champions, which was an award which required nomination from others in the Community. This we believe is recognition that a business can work collaboratively with the local community for the benefit of the community.

We hope that the majority of the evidence provided in the appendixes demonstrate our continued communications and promotion, both internally and externally, in a way that can be inspirational to other businesses and individuals in the community.

Additionally, we have in 2019 begun to refresh our CSR promotion actions towards supporting the United Nations Social Developmental Goals (SDG's) to help our employees and external stakeholders increase their awareness of the challenges being faced on a global scale. Our employees demography is diverse, and my considering not only the local community needs, but also by raising awareness on a broader scale, we hope that we are engaging our associates towards CSR activities that resonate on a personal and professional level.

Please see appendix Philanthropic for examples of our activities and movement towards SDG's.