



Environmental Policy

'Making the world Planet Smart'

December 2012

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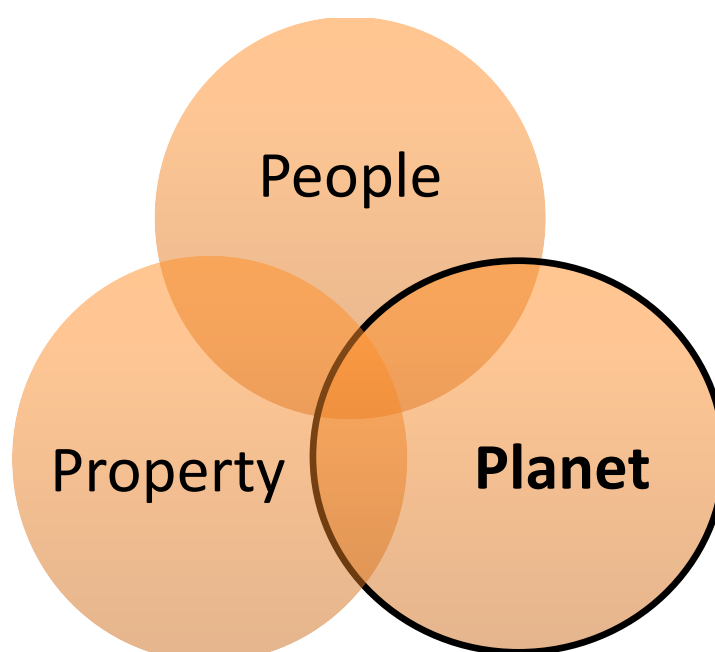
Introduction

Gentoo is a 'People, Planet and Property business' and our goal is to improve the Art of Living beyond our imagination. This means we strive to make a positive difference to society and the environment through all we do. As a result, environmental considerations and sustainability are at the heart of our business.

Our Business Strategy outlines People, Planet and Property as the three business streams, or areas of activity, through which the Group will operate to deliver our vision and mission.

One element of our Planet business stream is to act in an environmentally responsible way as a business, this policy document describes our approach to this commitment. It outlines our Group policy towards reducing our impacts on the environment as an organisation.

It will describe how Gentoo is approaching its commitment and responsibility to act in an environmentally sustainable way as an organisation, and the targets we have set ourselves to this end. This approach is to go beyond compliance with legislation.



Our new approach

In 2011 we decided to commission a new carbon footprint covering our whole organisation. This would allow us to fully document our environmental impacts, both direct and indirect, and provide us with a measurable and comprehensive baseline.

Armed with the knowledge from our footprint report, we were surer than ever that we needed to tackle our carbon emissions. We had our most comprehensive footprint yet and importantly, we knew from the picture it showed us that it would make business sense as well as moral sense to do something about it.

We could clearly see that largely our carbon emissions were intrinsically linked with our consumption of resources. What's more, the direct impacts we were having were things within our gift to change.

By eliminating wasteful behaviour, working smarter and reducing our consumption of resources (be it energy, office goods or through travel) it was clear that not only was there significant potential to reduce our environmental impacts but that we could do this in a cost-effective way.

It would also help us find ways to add a commercial edge to our business, improve the art of living for our customers and lead us to a new business model which ensures secure and sustainable growth into the future. So, our journey began.

We launched **Planet Smart**, our internal vehicle to engage staff on sustainability and relate the agenda back to everyone. Planet Smart has become our internal sustainability programme and is our approach to tackle our organisational environmental impacts

Strategic Objectives

Through Planet Smart we have set some overarching environmental sustainability targets for Gentoo Group. This will ensure that we all ultimately work towards the same end goal.

Our strategic objectives through Planet Smart are:

- **Achieve carbon neutrality in our direct operations by 1st April 2016.**
- **Agree specific 'Pledges' to take action to realise this target and to begin to tackle our broader impacts.**
- **Embed Planet Smart within our organisation.**
- **Agree responsibility for specific Pledges within individual functional business streams and embed them within the relevant business plans.**
- **Annually review progress towards the Pledges and look to extend them.**

Our overarching targets lay out our aspirations for Planet Smart, but we want to approach sustainability in an organisationally relevant way. As a social entrepreneur, Gentoo's business is a diverse one, applying a one size fits all approach would be too inflexible.

By allowing individual business streams freedom to think creatively about how they could contribute towards achieving our overarching goals, we have made Planet Smart relevant for everyone in Gentoo.

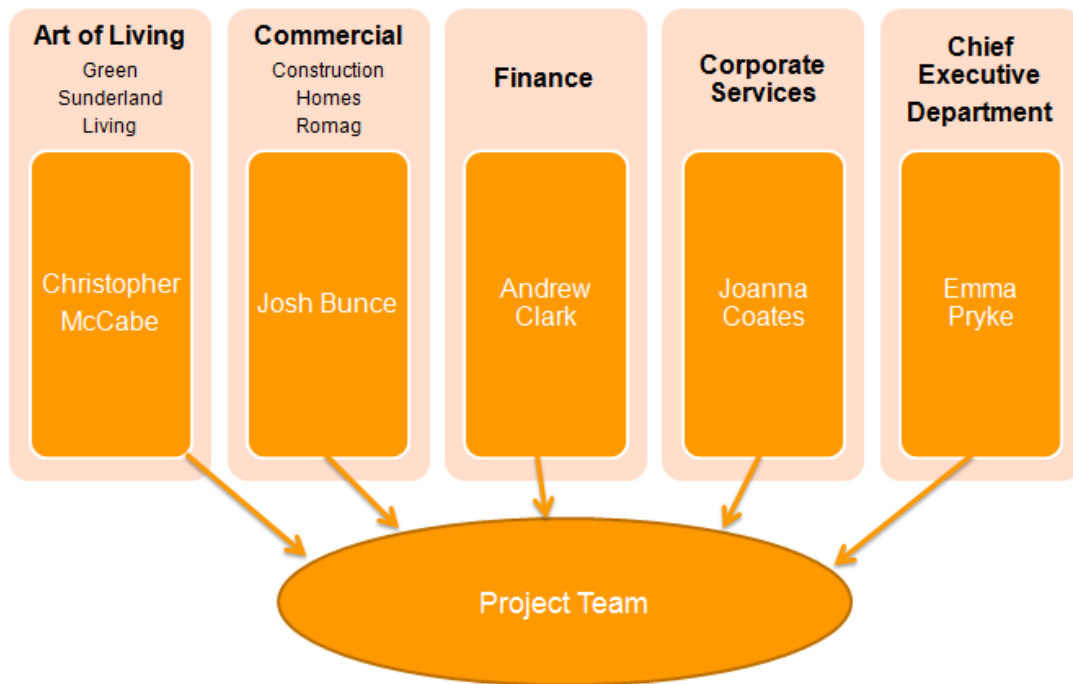
Pledges, or targets, have now been developed and set within every area of our organisation, using our strategic targets as a guide. This approach has given us targets which can be easily integrated into our business practices and processes across the organisation, where a percentage carbon reduction target would not have done so.

Structure and action planning

Key teams from each area of our business have been assembled to take responsibility for their Planet Smart Pledges locally, they are known as our 'Pledge Teams'. There is also a central Planet Smart team within Gentoo Green, providing support and environmental expertise to the Pledge Teams, and facilitating projects and initiatives across the business as a project team.

Each area of our business has a key contact within the Planet Smart team, to whom they can turn for guidance or assistance where it's needed to ensure we can deliver on our Pledges.

The Planet Smart team:



The Planet Smart team will continue to work with Pledge teams across Gentoo to establish action plans for the delivery of each Pledge. There are 47 Pledges in total, some requiring areas of the business to work together.

These Pledges will form our action plan and targets for the coming years, working towards our strategic objectives. An annually refreshed Journal document will lay out the detail of each Pledge, the actions being, and the impacts realised as we work to deliver our Pledges. The first annual Journal has already been compiled.

Review and monitoring

The Hub

To ensure ongoing monitoring of progress towards realising our Pledges and to establish a review mechanism, we will be inaugurating a Planet Smart Hub within Gentoo. This Hub will be presided over by Peter Walls our Chief Executive and will form a two monthly gathering where Pledge team representatives will be required to report progress on their Pledges and discuss joint working and collaboration. Progress will be reported in line with the actions set out in subsidiary business plans.

Where Pledges are behind schedule or not met, this will require explanation and potentially assistance from elsewhere in the Group. There may also be the scope to request additional resource through the Hub from a central Group source. Where Pledges are met or exceeded, the Hub will ensure the bar continues to be set at an increasingly high standard with new Pledges.

The hub will also be a forum whereby Group policies which are related to Planet Smart, but are not directly a Pledge, can be approved e.g. Group Transport Policy and Group Resource Policy.

The Hub will help the Planet Smart team track the cost and impacts of each Pledge. A report in the same format as this one will be compiled to update on these on an annual basis.

The Pledges

Our 47 Pledges are split into three sections for reporting purposes. Each section relates back to one of the Planet Smart strategic objectives:

- Social and cultural (21 Pledges – **Embed Planet Smart within our organisation**)
- Direct impact reduction (16 Pledges - **Achieve carbon neutrality in our direct operations by 1st April 2016**)
- Indirect impact reduction (10 Pledges – **Begin to tackle our broader impacts**)

Our social and cultural Pledges are monitored qualitatively, and where possible quantitatively e.g. through numbers of people engaged and in questionnaire results. This allows us to establish their impacts.

We will capture the impacts of our 'direct impact reduction' and 'indirect impact reduction' pledges through three main metrics of savings in cash (£), carbon (CO₂) and kilowatts (kWh). In addition, individual schemes and initiatives will be assessed on a life-cycle basis where appropriate, establishing financial payback and lifetime carbon and energy savings.

We are continually aggregating the impacts across all our Pledges in order to understand and quantify the cumulative impact of all Planet Smart activity.

The Register

To ensure we progress towards our targets, in particular our target of carbon neutrality in direct operations, we are keeping a carbon register.

The register is effectively a database of emissions from direct operations. It allows a snapshot of the current position to be established from a variety of data sources (e.g. energy bills) and compared with historical information. The impacts of Pledge activity and other initiatives can also be factored in, in order to forecast future emissions and therefore our trajectory towards our targets.

We will seek to externally verify the methodology behind our carbon register

Until next time

Please follow us on our Planet Smart Journey and should you have any questions, comments or thoughts on anything you've read please get in touch. Any member of the Planet Smart Team will be delighted to hear from you. Their contact details are below.

Together we can make the world Planet Smart.

The Planet Smart Team.

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