

SUSTAINABILITY REPORT

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OUR JOURNEY TO CARBON NEUTRALITY 2021

REPORTING SCOPE AND STANDARDS

Scope

This Sustainability Report 2021 is the first published by Gist Limited [Gist]. We have built upon our Environment Report 2020; this report now also covers additional information around our people and our community.

The report covers all sites operated by Gist in the UK from 1 January 2021 to 31 December 2021.

This Report

We have compiled this report to provide some insight into how Gist has made sustainability a business priority.

We also hope it will assist in providing some level of knowledge sharing on this topic for other stakeholders in the logistics sector.



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LETTER FROM OUR CHIEF EXECUTIVE

Thank you for taking the time to read our Sustainability Report. This report, the first of its kind for Gist, symbolises an early checkpoint in our sustainability journey.

We are proud to celebrate the ongoing hard work and achievements so far, but also acknowledge where we can improve, and the bold steps we need to take.

At Gist we are embracing a greener culture by dedicating resources and work streams to reducing our environmental impact. We have already taken a number of steps in this journey and I am proud that 100 per cent of Gist's operational fleet is Euro 6 specification, that we use 100 per cent renewable energy at all operational sites and that last year, 100 per cent of our sites sent zero waste to landfill. But we know there is more to be done.

There has never been a time where we have worked so closely with our 'competitors' - but it is clear that no single organisation can solve this problem alone. We encourage our colleagues to be collaborative and our approach to sustainability is a leading example of that behaviour. As we trial a range of new technologies, we are proud to collaborate with other businesses within logistics—learning together how our sector will reach the UK Government's plans of Net Zero by 2050.

The topic of sustainability, however, isn't just about minimising our carbon footprint or reducing our environmental impact. Our colleagues and local communities remain key pillars that should not be overlooked or underestimated. People are, and always have been, at the heart of our business.

During the COVID-19 pandemic, it became even clearer how valuable our colleagues are. We continued to operate and provide our service to ensure food could reach families. I am proud of our teams up and down the country, and across the world, for continuing to deliver excellent service in the toughest and most stressful of conditions.

It is clear that the past two years have highlighted how strong our communities can be when we work together. We are passionate about continuing these relationships and providing value to the areas local to our operational sites.

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Despite a brief break because of the pandemic, our Child Road Safety programme has always been well received by local schools and it will return as a more engaging and refreshed programme, which remains core to the Gist values of safety and its people, but also brings extra value to our local communities and children.

In 2022, we will work to gain an even greater understanding of how Gist can positively impact the environment, and take on further exciting and innovative opportunities, all while continuing to deliver a high quality service to our customers. We are constantly investing and developing our business by exploring in new ideas and opening ourselves to beneficial change.

I hope you will continue to support and follow us on our sustainability journey and look forward to joining us here next year to read about the new challenges we have faced and what we have learnt.

Michael Chambers Chief Executive, Gist Limited



OUR COMPANY PROFILE

Gist Limited is one of the UK's leading logistics companies. We are a Linde company, owned by Linde plc. As our name suggests, we see ourselves as being at the 'heart of logistics'.

Since we implemented the first centralised chilled distribution network in the UK 50 years ago, Gist supply chains have been constantly evolving to meet the changing needs of our customers. Our customers can be confident that we understand the importance of consistent, high quality service delivery. We are able to demonstrate our ability to maintain a successful and extensive transportation network across the UK.

We have more than 6,300 colleagues working together to transport chilled, frozen and ambient products from manufacturers to the UK's largest supermarkets daily.

Our business is primarily made up of large temperature controlled warehouses and a fleet of more than 1,400 tractor units, 240 refrigerated rigids and 1,200 refrigerated trailers.

We also operate a number of other smaller vehicles including shunting vehicles and fleet recovery vans.



SERVICES

M&S FOOD LOGISTICS

GLOBAL FREIGHT MANAGEMENT



Consistent, high-quality service delivered to our key customer M&S through our strategic network of high-spec distribution centres, chilled warehousing and specialist vehicles.



We provide end-to-end supply chain management across the world, for the movement of chilled, perishable, and hazardous products by air, road and sea.

TEMPERATURE CONTROLLED LOGISTICS



Our large fleet of temperature controlled vehicles provides delivery capability from manufacturers to major UK food retailers with maximum efficiency on a daily basis.

STARBUCKS FOOD SERVICE



We provide cost-effective, fully consolidated, out-of-hours deliveries to Starbucks UK.



We are situated primarily in the UK, but also have operating sites in Ireland, the Netherlands and the USA. Non-UK sites are not included within the scope of this report.

Gist Limited Head Office is located at; Rosewood, Crockford Lane, Chineham Business Park, Basingstoke, Hampshire, RG24 8UB.

As shown, our UK sites are spread across the nation – creating a wide-spread transport network.

Our UK sites can be found in Barnsley, Bedworth, Bristol, Carlisle, Chesterfield, Crewe, Coventry, Cumbernauld, Enfield, Faversham, Hemel Hempstead, Motherwell, Portbury, Spalding, and Thatcham.

OUR VISION & ----

VALUES

Our vision is to deliver industry-leading logistics and supply chain transformation for the benefit of our customers and stakeholders.

WITH PEOPLE AND SAFETY AT THE HEART OF EVERYTHING WE DO, WE ARE:

ETHICAL

We consistently do the right thing

COLLABORATIVE

We work in partnership to achieve winning outcomes

PROGRESSIVE

We innovate and deliver change to make us better

ACCOUNTABLE

We take responsibility for delivering exceptional performance

We created the Gist vision and values collaboratively, reflecting the way we encourage our colleagues to work together. They were discussed and critiqued by our colleagues including the chief executive, senior leadership team, and colleagues from a wide range of locations and roles.

We believe that our values should be at the heart of everything our colleagues do. From drivers to warehouse operatives, to our central team at head office, we have spread the message through widespread workshops and visual materials.

We have also placed our values at the heart of Gist's newly-improved personal development review process to ensure regular and meaningful conversations take place with all colleagues relating to how their behaviour and performance can reflect our values in their role.

In 2022, we are planning to integrate these leading behaviours into our new management training programme. We believe that change starts from the top. Our managers must understand our vision and values before they can successfully encourage their teams to do the same.

SOME OF OUR CUSTOMERS



OUR MEMBERSHIPS AND AFFILIATIONS







The United Nations (UN) Sustainable Development Goals (SDGs) were adopted by all UN member states in 2015 to align the efforts of nations, companies and people across the globe. The 17 goals, each with specific targets, aim to resolve global challenges of peace and prosperity, equality and the environment.



At Gist, we understand the importance of the UN Sustainable Development Goals and support them. Engaging with stakeholders from across the business, we identified three UN SDGs that Gist directly impacts and can make a positive contribution towards. Throughout the rest of the report, you will see that we use these UN SDGs to depict which of the goals our initiatives and efforts align to.

	UN SDG TARGET	GISE ACHIEVEMENTS IN 2021
	3.6 By 2020, halve the number of global deaths and injuries from road traffic accidents.	 Risk assessments complete on all routes/delivery points. 150,000+ educated through Child Road Safety scheme. Fleet technology introduced, e.g. 360° vehicle cameras. SAFED training roll-out for all drivers in 2022.
3 GOOD HEALTH AND WELL-BEING	3.8 Achieve universal health coverage, including financial risk protection, access to quality essential health-care services and access to safe, effective, quality and affordable essential medicines and vaccines for all.	 Free Employee Assistance Programme available to all employees, as well as a Health Cash Plan on offer. Abbots provide our employees with occupational health support in getting them safely returning to work. Mental health training available for all line managers. Mental health first aiders based at all sites.
8 ECONOMIC GROWTH	8.2 Achieve higher levels of economic productivity through diversification, technological upgrading and innovation, including through a focus on high-value added and labour-intensive sectors.	 Begun fleet/warehouse technology upgrade programme to ensure economic development and productivity. Trialling diesel alternatives and technologies to investigate viable long-term solutions for our fuel use.
	8.4 Improve progressively, through 2030, global resource efficiency in consumption and production and endeavour to decouple economic growth from environmental degradation, in accordance with the 10-year framework of programmes on sustainable consumption and production, with developed countries taking the lead.	 Switched to 100% renewable electricity. Installation of LED lighting in our warehouses to reduce energy consumption. Set annual targets to advocate for a reduction in our environmental impact. Communicate with our colleagues through multiple channels to encourage environmental focus.
	8.5 By 2030, achieve full and productive employment and decent work for all women and men, including for young people and persons with disabilities, and equal pay for work of equal value.	 Annually publish our Gender Pay Gap report. Targeting 30% of women in management and administrative roles by 2030.
	8.6 By 2020, substantially reduce the proportion of youth not in employment, education or training.	 Offer a safe work environment with training and career development opportunities for all employees. Mandatory training on Code of Business Integrity. All colleagues undertake Dignity at Work training. Business-wide graduate, apprenticeship and industrial placement schemes offer rapid career development.
	8.7 Take immediate and effective measures to eradicate forced labour, end modern slavery and human trafficking and secure the prohibition and elimination of the worst forms of child labour, including recruitment and use of child soldiers, and by 2025 end child labour in all its forms.	 Creation of Modern Slavery committee. Annually publish our Modern Slavery report. Gist suppliers required to commit to our Code of Business Integrity, which explicitly details non-tolerance of human trafficking or modern slavery. Externally managed Integrity Line available to all colleagues/third parties to confidentially report any concerns or potential irregularities.
	8.8 Protect labour rights and promote safe and secure working environments for all workers, including migrant workers, in particular women migrants, and those in precarious employment.	 40% sustained reduction in accidents resulting in personal injuries over the last 15 years due to various initiatives. Regular bulletins shared with all colleagues. Institution of Occupational Safety and Health (IOSH)training for all managers.
12 RESPONSIBLE CONSUMPTION AND PRODUCTION	12.5 By 2030, substantially reduce waste generation through prevention, reduction, recycling and reuse.	 Waste recycling has increased by 8% from 2020-21. Constant monitoring of waste flows at all sites via an online dashboard. 100% of our tyres are recycled.
	12.6 Encourage companies, especially large and transnational companies, to adopt sustainable practices and to integrate sustainability information into their reporting cycle.	 Submission to Streamlined Energy and Carbon Reporting 2021. Published our first Environment Report for 2020. Held our first climate change risk assessment workshops.





The natural surroundings and conditions of our world, especially where affected and influenced by human activity.



PEOPLE

Our colleagues, our customers, our suppliers.



COMMUNITY

People and communities living locally to one of Gist's sites, anywhere in the world.

Sustainable development has been defined by the UN World Commission as "development that meets the needs of the present without compromising the ability of future generations to meet their own needs."

We have used this description to define and lead conversations when framing Gist's Sustainability programme.

To ensure we give enough attention and focus to the areas we believe sustainable development encompasses, we have divided our programme into three key areas; the environment, people and community.



FOCUS AREA ENVIRONMENT

One of Gist's key business objectives since 2020 has been to minimise our impact on the environment. We are committed to reflecting this objective in every business decision that we make, as reflected in our corporate Environmental policy.





The UK Government has set out policies to decarbonise all sectors of the UK economy, with the aim to reach net zero by 2050. With the logistics sector estimated to be the cause of 27% of the UK's greenhouse gas emissions in 2019¹, there is a pressing need for us to work closely with our customers and peers within the sector. We want to share resource and knowledge to fast-track advancements in processes and technology that will better the environment.

At Gist, more than 90% of our carbon emissions come from our vehicles, making this a key focus area for our sustainability programme.

We have focused on how we can work to reduce our emissions in the short, medium and long term. We are working hard to drive improvements in driving styles in the short terms, and trialling innovative, carbon-saving technologies to build our knowledge and fleet strategy for the long term.

We are a part of a number of forums and consortiums and are actively engaging with other logistics businesses to discuss promising up-and-coming technology within our sector and any concerns with technologies that are currently less developed.



ENVIRONMENT

GREENHOUSE GAS EMISSIONS

FOCUS AREA

CARBON EMISSIONS 2021

Due to the nature of our business, our HGV fleet travels all over the UK, driving millions of miles delivering primarily chilled food across the nation.

In 2021, our fleet travelled over 215,000,000 miles. As part of our sustainability programme we aim to make each of those miles as "green" as possible.

The largest source of emissions derive from transportation, and so this area presents our greatest opportunity for improvement.

Although our carbon emissions in 2021 are largely from transportation, there are still other sources of carbon production. We can make a significant difference by improving our efficiency in the use of electricity, natural gas, and other utilities in our warehouses and offices.

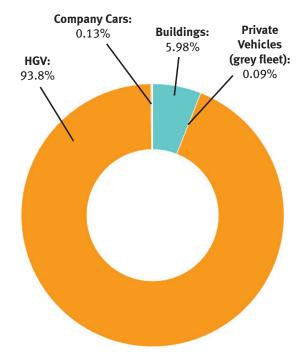


Figure 1: Pie chart, as previously shared in Gist's 2021 SECR reporting, illustrating the sources of our carbon emissions.



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ENVIRONMENT



FUEL REDUCTION INITIATIVES



To reduce our carbon emissions, we have been continuing to focus on reducing the impact of fuel usage from our vehicles throughout 2021. We have divided this focus in to the following areas: vehicle design, schedule optimisation, driving styles, and new technologies.

VEHICLE DESIGN

Every vehicle in our fleet is equipped with a Euro 6 engine. These engines release less harmful pollutants into the air than their comparative Euro 5 or below. Harmful pollutants include nitrogen oxides (NOx), carbon monoxide (CO) and particular matter (PM). Additionally, we have bespoke aerodynamics on board on our vehicles and air management systems. These features reduce the air drag and therefore increase the MPG. Our low-rolling resistant tyres also provide work to the same aim.



Our network planning team operate 24/7 to optimise our vehicle schedules and routes. By using detailed schedules and specialist software, we focus on specific KPIs such as fill rates to provide our customers with the most efficient service.

Our network planning team also ensure that double decker refrigerated trailers are optimally used in our routes to reduce the number of vehicles going to the same or similar destinations, therefore reducing the fuel usage.



FOCUS AREA ENVIRONMENT

FUEL REDUCTION INITIATIVES

DRIVING STYLES

Our vehicles have fully-integrated driver telematics to be able to monitor driving styles. Analysis of driver performance through telematics enables us to identify ways for drivers to personally improve their techniques. This in turn improves our fuel efficiency.

The telematics provide a rating for each driver based on a number of driving factors such as: harshbraking, over-speeding, excessive idling and combined coasting. If a route is driven in a way where one or some of these factors are underperformed, the score will be lower.

We work closely with our drivers to encourage continuous improvement in their driving style performance. By improving driving styles, we can lower the fuel consumption on each route and therefore reduce our carbon emissions. For each hour of excessive idling, a DAF HGV vehicle uses 1.5 litres of diesel¹.

NEW TECHNOLOGY

We are trialling the leading-edge technology and constantly seeking new ways we can improve our assets and processes to reduce our emissions.

In 2021, we commenced a trial of the UK's first fully autonomous, all-electric engineless refrigerated trailer system, the Vector eCool, developed by Carrier Transicold and Gray and Adams.

The technology has an under-mounted battery to power the fridge and when driving, converts kinetic energy generated



by the trailers' axle to replenish the battery pack and in turn power the refrigeration unit. After finding positive results we are trialling this technology again in 2022 to understand its performance in a different area of our business operations.

Some of the other technologies we are looking into include:



Hydraulic-driven generators for refrigerated trailers



New fuels including liquid natural gas, HVE, and hydrogen



Electric, hybrid, and dual fuel CNHG diesel vehicles



Roof-mounted vehicle fridge solar panels

ENVIRONMENT

WAREHOUSES AND BUILDINGS

While our biggest focus is on reducing the carbon impact of our vehicles, around 5% of our carbon emissions are created through the operation of our offices and refrigerated warehouses.

Our 16 operating sites with temperature controlled warehouses must be maintained at a constant temperature for our food logistics operations and require a significant supply of electricity.

In April 2021, we switched our electricity source to 100% renewable, eliminating all market-based carbon emissions as a result of electricity usage across all of our operational sites.

We are also focussing on reducing our electricity use and improving our building infrastructure through a number of means:

- LED lighting in every building
- Automatic sensors on lighting fixtures
- Rapid roller doors to
 improve insulation
- Air cushions on warehouse
 bay doors
- Installation of top-grade ammonia-glycol refrigeration units
- Having vehicle washers which take advantage of recycled water

In 2022, we are aiming to continue to focus on these initiatives, to look for new technology and ensure that our sites have the infrastructure in place to allow for the 'green-ification' of our fleet.

In our buildings we:

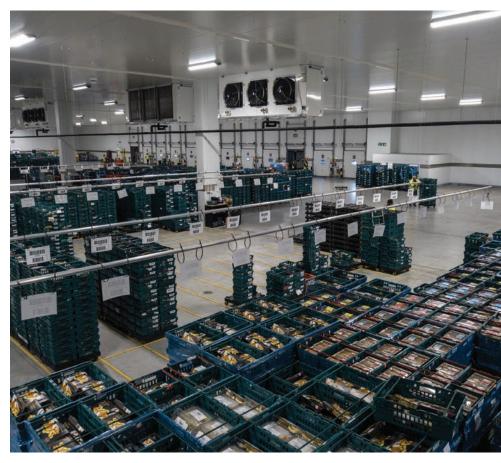
Use 100% renewable electricity

Are installing LED lighting and automated sensing

Use rapid roller doors to improve insulation

Are installing ammonia glycol refrigeration units

Use recycled water to wash our vehicles







FOCUS AREA ENVIRONMENT

ZERO WASTE TO LANDFILL

In 2021, our operational sites were zero waste to landfill. Our main aim in relation to waste was to increase the percentage of recycling across our network and to increase the engagement of our colleagues.



WASTE

GIST'S WASTE 2020 VS. 2021:

	1 FEB 2020 - 1 FEB 2021	1 JAN 2021 - 31 DEC 2021
RECYCLING:	39.55%	47.84%
DIVERSION FROM LANDFILL:	98.94%	99.9%

In 2022 we aim to launch an education programme that explains the benefits of recycling at our sites and demonstrates the impact that each individual can make, both at work and in their personal lives.

WHERE DOES THE WASTE GENERATED BY GIST END UP?



At Gist we achieve zero waste to landfill because:

- Our food waste is recycled into fertilizer for farming and green energy for homes
- Our recycled plastics, cans and tins are reprocessed to create new plastic products
- Our recycled glass is used to make aggregate for road surfacing and other materials
- Our non-recyclable waste is turned into energy to power homes, or used to produce fuel.

Other waste initiatives that we have focused on:

- Managing our tyre life cycle to maximize usage
- Recycling 100% of our tyres and oil
- Removing single use plastics from our canteens

ENVIRONMENT

CLIMATIC IMPACT ON GIST



ASSESSING THE RISKS

In November 2021, we conducted our first Climate Change Risk Assessment.

The risk assessment aimed to identify potential hazards from climate related events, trends, forecasts, and projections and their potential impact on the business.

Conclusions from the completed workshop provided Gist with a prioritised climate action plan.

The three focus areas were:

- The impacts of the predicted 2050 climate
- The implication of the 2050 impacts
- How we will mitigate these impacts and implications





WITH PEOPLE AND SAFETY AT THE HEART OF EVERYTHING WE DO, WE ARE:

ently do the right thing

ABORATIVE

At Gist, it is our people that make all the difference. To ensure we recruit, develop and retain the best people in the industry, we focus on creating a safe environment, promoting an involved environment and developing our people.





We aim to create a performance focussed environment that is fair and inclusive, where everyone can develop, and connect meaningfully to their manager, Gist, and our future.

RELAUNCHING OUR VALUES

2021 saw the re-launch of our company vision and values.

We also re-launched our personal development reports (PDRs) in order to encourage more meaningful development conversations which focus around our values and business objectives.

PEOPLE SAFETY

Safety initiatives have seen a 40% sustained reduction in accidents resulting in personal injuries over the last 15 years, despite multiple changes to the business and our locations. Every new employee has safety training as part of every induction, and this is followed up with ongoing, regular training.

In 2021, we rolled out an ambitious safety training programme with 100% of Gist managers enrolled into the accredited IOSH Managing Safely course. This has enabled our entire management team to improve their knowledge and confidence in leading their teams with safety as a clear priority.



We are fiercely protective of everyone's health, safety, and wellbeing

DEVELOPING OUR PEOPLE

Our people are what differentiates our business. We invest in their development and wellbeing through:

- Ongoing development and succession planning to identify an individual's potential and development needs.
- A modular leadership development training programme delivered to all managers.
- Graduate, Industrial Placement and Apprenticeship programmes. In 2021, we recruited our first graduates in Engineering and Sustainability.
- Monthly People Panels at all sites identify training and development needs and create succession plans.

- Encouraging colleague feedback at every site.
- One-on-one performance and development conversations.
- Training for every manager in coaching and leadership skills, and cybersecurity.
- Training for every colleague on the Linde Code of Business Integrity and safety requirements for their role.

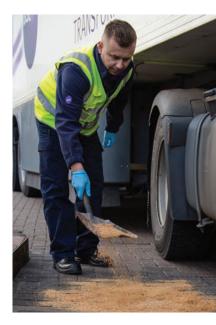
CONNECTING OUR COLLEAGUES

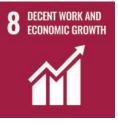


Our colleagues are kept up to date and connected through a number of communications channels and external resources:

- Digital signage across all sites that is updated weekly with both central and local content.
- An employee app (the Gist Hub) providing access to the latest news, company information, benefits and wellbeing.
- Wellbeing resources including an EAP and integrity phone line.
- Trained Mental Health First Aiders available at all sites.









FOCUS AREA COMMUNITY

We are committed to giving back to the communities local to our sites through a number of programmes and initiatives.



COMMUNITY







Our free-of-charge programme was established in 2011 to reduce and prevent the needless accidents and deaths of young people on the roads. We work in partnership with Brake, the UK's largest road safety charity, who recommend the programme.

BY GIST, FOR GIST COMMUNITIES

Presented by our own employees, Gist's Child Road Safety Programme has been delivered to more than 150,000 children in schools within our local communities across the UK.

Visits consists of an indoor presentation as well as an outdoor interactive experience, where children will get to see a truck close up and even sit in the driver's seat!

We donate a set of high-vis vests for the school to use on walking trips and activities outside the school grounds and activity packs and staff room mugs for the teachers to use after we've left.

Unfortunately due to the pandemic we were forced to pause the programme during 2021 and will take this opportunity to review our community engagement programme for the future.









Gist's Child Road Safety presenters gather for a central workshop to improve the scheme





FOCUS AREA COMMUNITY

LOCAL ACTIVITIES

SPONSORSHIP & CHARITABLE CAUSES

Each year, the vast majority of our sites opt to join in national fundraising causes, including Red Nose Day, Macmillan Coffee Mornings and Children in Need. Funds are raised through bake sales, fun days, and other charitable events.

In line with our Child Road Safety programme, many of our sites choose to sponsor local community children's clubs and sports teams. About half of our sites have sponsored a local children's football team.



There are also plenty of other fundraising activities that take place across our network, for example, a volunteered beach cleaning day ran by our Faversham site. Around 30 people took part in collecting all sorts of rubbish along the beach in Whitstable. People taking part included Gist colleagues, friends of Gist, families of Gist colleagues and of course their dogs. The site is planning more beach cleans for 2022.



Children in Need



Macmillan Coffee Morning

LOCAL VOLUNTEERING

Gist employees have been involved in a variety of projects ranging from transforming gardens and outdoor spaces for use by children and young people to visiting local schools to provide reading support and deliver curriculum-related presentations.

A recent refurbishment to our head office saw a whole floor's worth of furniture donated to a local furniture upcycling project, members of our Hemel team visited their local job centre to provide opportunities and information to jobseekers, and we also collected toys for the Salvation Army's Christmas toy appeal.



COMMUNITY

CORPORATE SOCIAL RESPONSIBILITY



ABOVE AND BEYOND IN THE PANDEMIC





Despite being classified as key workers and providing their usual service to supermarkets throughout the entirety of the whole pandemic, Gist colleagues went one step extra during one of the most difficult periods this country has ever faced.

Many of our sites donated to food banks up and down the country, spent time volunteering with those who needed it, and even set up small tuck shops to provide for those who weren't able to get to their local shops or get hold of groceries.







ACCREDITATION

ECOVADIS SCORE

Gist received a Silver Medal in recognition of sustainability achievement, from the largest provider of business sustainability ratings, Ecovadis.

Of more than 90,000+ rated companies, we achieved a score that places Gist in the top 70% of companies globally.

We have used the results of this assessment to inform our continuous improvement programme for 2022.





WHAT'S NEXT? 2022 AND BEYOND



CARBON REDUCTION PROGRAMME

Continued trials of electric trailers, solar panels and other technologies, with an aim to purchase low carbon improvements for our HGV fleet.



Make further improvements in our segregation of waste at sites for recycling, through employee groups and education, and improved facilities.



WORKING IN

We look forward to focusing on wider improvements with the logistics industry through various forum.



CUSTOMER COLLABORATION

Working closely with our customer to create further programmes of improvement in line with their sustainability goals.



Launch a scorecard to create better visibility and motivation to drive continuous improvement in our efficient use of resources.



We aim to train 100% of our drivers in Safe and Fuel Efficient Driving, and improve our overall Microlise score year on year.



