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SHV ENERGY

Sustainability Report 2019

Advancing Energy Together





Throughout this report, you will find short impact stories that illustrate the positive influence of our programmes and initiatives. Click on the headline to be taken to the full-length impact story on our website.



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CEO statement

The need for the energy transition has never been more apparent. In 2019, we saw climate change move higher and higher on the global agenda. Our status as a family-owned company uniquely enables us to be part of the solution. It gives us a long-term perspective, meaning we can be more consistent in our approach over time. We are able to look to the future and set ambitious goals, then steadily work until we achieve them.

The vital tools in achieving our goals around sustainability are our LPG, LNG and bioLPG products. These enable us to provide cleaner energy options to the significant but often overlooked off-grid segment of both consumers and businesses, replacing options like oil or coal and therefore reducing emissions whilst improving air quality.

We are proud of how our employees help us drive sustainability throughout the group, both in their everyday behaviours and with the high standards they hold us to. Every day, they work to ‘advance energy together’, providing customers with cleaner, more sustainable options, and innovating and developing the energy products of the future.

By providing our customers and consumers with affordable and pragmatic lower-carbon energy options, we were responsible for a saving of 132,000 tonnes of carbon dioxide over the year 2019. We are on track to achieve our commitment to a 25% reduction in the carbon dioxide created per tonne of LPG we distribute by 2025.

Another milestone in 2019 was the announcement of an advanced new biofuel plant in the north of the Netherlands, made financially viable due to our investment. It will produce both sustainable aviation biofuel and bioLPG from high-quality raw materials including regional waste and residue streams, using an industry-leading process involving fully green hydrogen.

A further key development in 2019 was that we began to share our ambitions and results more externally. This sustainability report, for which we have adopted the Global Reporting Initiative (GRI) Standards for the first time, plays a large part in this increased transparency.

We made significant progress towards our sustainability goals in 2019, but it is important to acknowledge that we are still early on in the journey. We remain committed to driving the energy transition, and excited by the opportunity to increase our positive impact by bringing the broader energy industry along on the adventure.

In 2020 and beyond, we will continue to harness the momentum around, and increasing demand for, cleaner, greener energy sources. The more we continue to expand our operations and customer base, the more we can invest in research and development to refine the energy solutions of the future.

We intend to move into a thought leadership and driver role in the industry, in part by working closely with relevant sector organisations. Members of our staff already contribute significantly to various industry bodies, giving us a platform to share our knowledge and expertise, but increased collaboration will help us to reach a broader coalition and therefore add more value.

We believe it is in the interest of the entire industry, and wider society, that we bring other businesses with us on the energy transition journey – our goal of ‘Advancing Energy Together’ cannot be achieved without collaboration.

Sustainability is of course broader than our environmental impact and our role in the industry. Throughout this report, you can read about the sustainability topics we consider most material and how we approach them in order to ensure we are creating long-term value for all stakeholders involved.

Of particular focus in 2019 and throughout 2020 is enhancing the maturity and professionalism of our Health and Safety culture and activities in order to safeguard the well-being of our staff and customers. Health and Safety is our core value and its importance cannot, and never will be, underestimated; it is a vital factor in fulfilling our commitment to conducting our business in a way that contributes to a healthier, cleaner and safer world.

Bram Gräber,
Chief Executive Officer at SHV Energy

» Health and Safety is our core value and its importance cannot, and never will be, underestimated «

BRAM GRÄBER, CHIEF EXECUTIVE OFFICER, SHV ENERGY



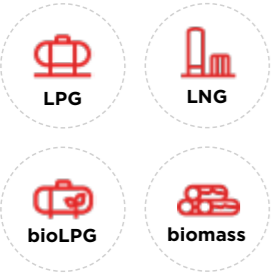
Who we are

Globally, SHV Energy aims to position itself within the changing energy market as a supplier of low-carbon and renewable energy options for applications beyond the utility grids. Our key products are LPG, LNG, bioLPG and biomass. We have 17,374 employees and 30 million customers, spread across the 25+ countries where we operate.

Countries



Our products

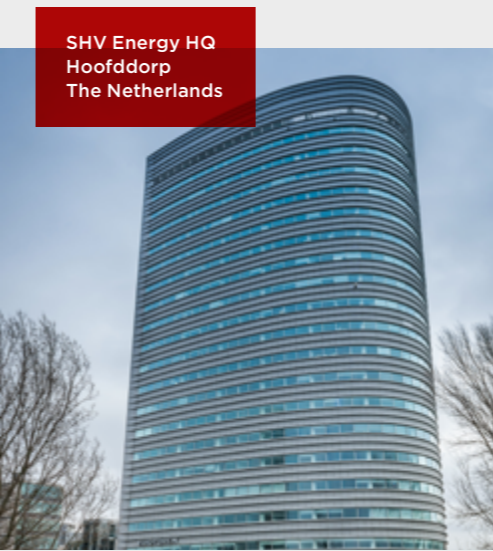


Our brands



Corporate governance

The SHV Energy Management Board meets every two weeks and oversees all major decisions. The Management Board is assisted by a variety of groups and committees, which meet at least once per quarter to discuss recent developments, assess progress against targets and plan for the future.



SHV Energy HQ
Hoofddorp
The Netherlands

The Health & Safety Committee

The Health & Safety (H&S) Governance Committee and Incident Review Board reviews progress against the agreed H&S key performance indicators and the H&S strategy.

Additionally, it reviews any serious or potentially serious incidents that have occurred to ensure that the root causes have been identified, appropriate corrective actions put in place to prevent recurrence and determine the lessons learned, which are then communicated internally and externally as required.

The Ethics & Compliance Committee

The Ethics & Compliance Committee (ECC) supports the Management Board in establishing, monitoring and assessing the group's Ethics & Compliance (E&C) framework. It discusses relevant E&C information, trends and updates, as well as projects, concerns (including Speak Up cases), E&C risks and mitigating measures.

The Internal Audit Committee

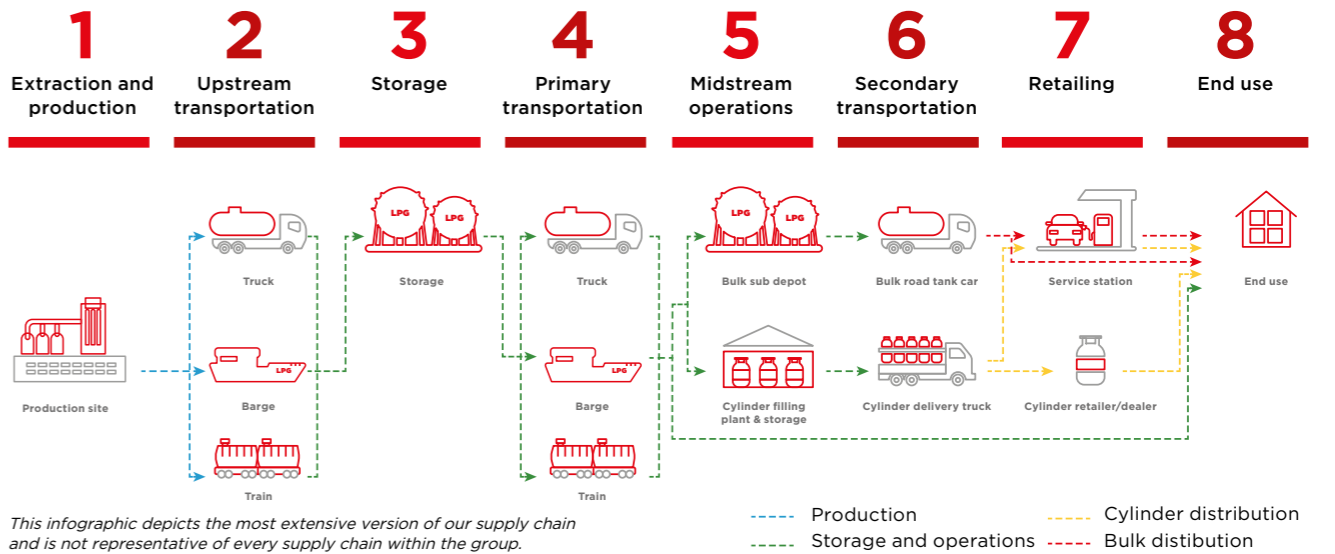
The Internal Audit Committee (IAC) exists to assist the SHV Energy Management Board in fulfilling its oversight responsibilities for the financial reporting process, the system of internal control, the audit process and the group's process for monitoring compliance with laws and regulations.

The Sustainability Community

Alongside the formal committees mentioned above which include representatives from our Management Board, we also have our global sustainability community. Each of our organisations is represented by a Sustainability Leader, an in-market sustainability expert who supports the local implementation of sustainability practices. All Sustainability Leaders report directly into their local business unit and work closely with the Group Sustainability Manager.

Our supply chain

As a group of companies with a focus on value creation, we have an inherent interest in ensuring that we operate sustainably. For this reason, we are reviewing our entire value chain to search for opportunities to improve our sustainability performance through our own people and processes, our customers and our partners. We believe growth, customer satisfaction and profitability are important, but so are good corporate citizenship and being an employer of choice.



Our strategy

We supply our customers with energy for their domestic heating, industrial heating, cooking and transportation needs. Through primarily serving the off-grid population, we make cleaner, greener energy options accessible and affordable for as many customers and businesses as possible. We strive to achieve this whilst minimising our negative impact on the environment and without compromising on the highest health and safety standards.

Our approach is pragmatic – our products are not the only or the ultimate energy solution for everyone, but they play a key, practical role in the overall energy mix and are tailored to meet the specific needs of certain groups. Our direct interface with our customers through physically delivering our energy to them allows us a unique opportunity to understand their needs and ensure we meet them.

For example, we serve the significant proportion of the global population who are not connected to the gas grid. Often, these people or businesses are based in rural areas and rely on sources like coal and oil for activities including farming, cooking, heating and hot water. Providing these groups with cleaner, safer and lower-carbon energy options is a key step towards decarbonisation and an integral part of how we can drive the energy transition.

In 2019, we were pleased to see the importance of taking everyone along on the energy transition journey recognised in the European Green Deal.

We also welcome the recognition by the European Commission in this Green Deal roadmap of the importance of clean air. Its zero pollution action plan includes a revision of air quality standards to align them more closely with the World Health Organisation (WHO) recommendations. SHV Energy and the sector's trade associations advocated for implementing WHO standards in the 2018 review of ambient air quality legislation.

To achieve climate neutrality, all solutions with a climate mitigation potential must be leveraged through a technology-neutral approach. Gas – both on and off the grid – will be crucial in delivering cost-effective decarbonisation, initially as a transition fuel and subsequently through new, bio-based and renewable fuels like bioLPG.

To achieve our goal of 100% of our energy coming from renewable sources by 2040, we will steadily increase our supply of bioLPG (alongside other renewable fuels). BioLPG is identical in use and performance to conventional LPG, making it an ideal energy solution for consumers and businesses wishing to reduce their carbon footprint.

In 2019, we announced our participation in a project to build Europe's first plant for sustainable aviation fuel in the north of the Netherlands, which is an important contribution to this goal. We are also continuing to explore expansion into alternative renewable energy solutions and energy-efficiency measures.



Harnessing our influence

Using our experience and influence to lead the industry is of increasing importance to our strategy. For example, in 2019 SHV Energy chaired the national organising committee of the annual World LPG Forum and European Congress, and supported the launch of World LPG Association's reports. We also continued to champion the energy needs of rural communities through the Future of Rural Energy in Europe (FREE), an initiative we set up in 2010. In 2019, we developed factsheets and guides for individual countries, distributed via FREE's website.

In 2020, we plan to increase these activities. By sharing information openly, such as about how we create our renewable LPG products, we help the entire industry to progress and therefore increase our contribution to the energy transition beyond what is possible within the bounds of our own operations and direct influence. The reference to 'together' in our commitment to 'Advancing Energy Together' involves all of our key stakeholders, not just our employees and customers – we must collaborate with the broader energy industry to make the energy solutions of the future a reality.



Our aspirational goals

Our sustainability activities are guided by our four aspirational goals. These are:

- Sustaining the environment
- Improving health, safety and well-being
- Enhancing employee and community development
- Safeguarding integrity

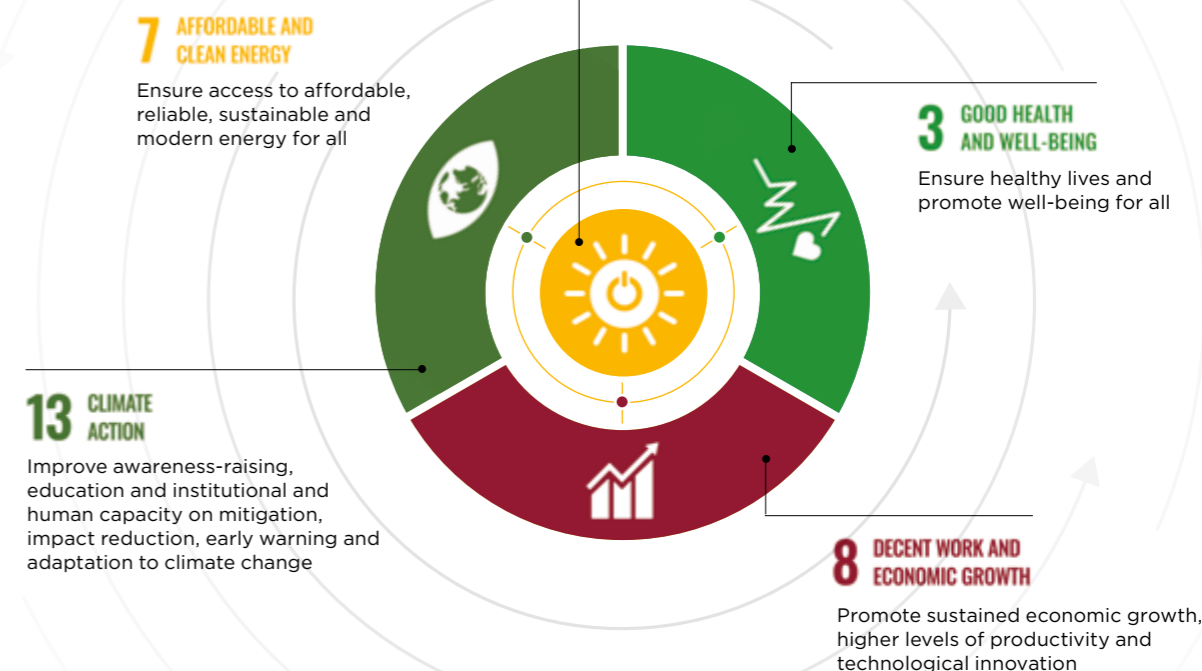
The goals were developed through materiality assessment and used to create a group-level sustainability agenda, meaning all our business units must report on them.



SHV Energy and the United Nations Sustainable Development Goals

Throughout this report, you can read about our contribution to the United Nations Sustainable Development Goals (SDGs). We have elected to focus on the SDGs where we believe we can create the most value, based on them being particularly relevant to our business activities, our business strategy or the community initiatives we support.

We see our contribution to the SDGs as intertwined with our business strategy. Through our business operations, we make the world a cleaner, healthier and safer place, and our work on the SDGs supports that same mission.



Value creation model

Purpose

We are 'Advancing Energy Together' with our customers, employees and business partners, working to connect those living and working beyond the gas grid

Inputs



Sustaining the environment

11,098,903 mt LPG distributed
205,309 mt LNG distributed
49,266 mt bioLPG distributed



Improving health, safety and well-being

1 global programme of independent audit and reporting
9 life-saving rules



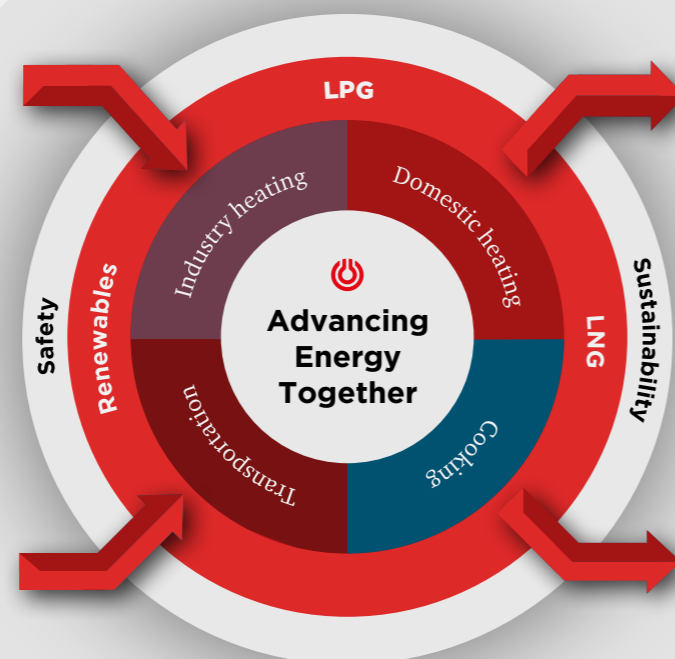
Enhancing employee and community development

17,374 employees
3.6 mln EUR investment in learning and development
> 500,000 EUR investment in community initiatives



Safeguarding integrity

4 e-learning programmes available on integrity topics



Output



Sustaining the environment

19,129,488 metric tonnes of CO₂ emissions in 2019



Improving health, safety and well-being

997 HQ and business unit audits combined
511 NEBOSH-certified employees



Enhancing employee and community development

21 average training hours per employee
>45,000 individuals benefitting from our community initiatives



Safeguarding integrity

195 Speak Up reports
91% of anti-bribery and corruption e-training programmes completed

Outcome



Sustaining the environment

By providing sustainable products to our customers, we combat global warming and improve local air quality. In 2019, we prevented 307,701 mt CO₂e, 783,991 mt NO_x, 1 mln mt SO_x, 188,774 mt VOCs, 1.2 mln mt CO, 205,639 mt PM_{2.5} and 223,098 mt PM₁₀ emissions.



Improving health, safety and well-being

A healthy and safe working environment is our priority. We achieve this by reducing the number of incidents, educating our people on safety and consistently working to make our workplaces safer.



Enhancing employee and community development

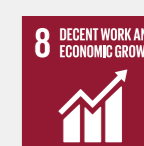
We want our people to thrive. Therefore, we invest in their training programmes and in our mutual working relationships. In addition, we invest in the communities surrounding our businesses to help create a brighter future for all.



Safeguarding integrity

We believe that a supportive, positive, compliant culture is vital to creating long-term value. Therefore, we invest in a culture where people feel empowered to speak up and protected if they do so. We enforce this culture by acting on breaches.

Impact



SHV Energy's role in the energy transition

The energy transition refers to accelerating the fundamental modernisation of the entire economy, making it low-carbon and energy- and resource-efficient, and eventually working towards climate neutrality.

This modernisation must be inclusive and accessible in order to maintain momentum. The energy transition will be a key factor in providing the significant reduction in carbon emissions necessary to meet global goals around climate change. To drive the energy transition, SHV Energy has committed to 100% of our energy being produced from non-fossil, bio-based feedstock by 2040.



The energy solution we provide to most of our customers is LPG-based. We are a global leader in the distribution of LPG to both companies and consumers, and this area of our business continues to grow. LPG is a key part of the energy transition. It is our strong belief that the energy transition is a long-term project that requires realistic and cost-effective solutions. By providing customers with LPG, we are replacing their use of higher-carbon, polluting energy sources such as oil and coal.

The energy transition is also happening in the transport and mobility sector. Automotive LPG, also known as autogas, is the most widely used alternative fuel, offering drivers an immediate alternative to conventional fuels, and has a direct impact on air pollution. Switching to LPG reduces

carbon emissions and improves local air quality. Most importantly, it is a practical and affordable switch for customers and businesses to make, meaning that no one is excluded from the energy transition.

IMPACT STORY

Pioneering bioLPG

At SHV Energy, we are proud to pioneer bioLPG. Customers in Scandinavia rely on Primagaz to supply gas for a variety of applications including industrial heating, as well as a wide range of off-grid outdoor leisure activities that utilise cylinders.

Interest in switching to bioLPG is growing as customers seek to decarbonise without compromising on convenience. In 2019, we signed a contract with the global service station chain Circle K that ensures the cylinder gas sold in its 297 stores across Sweden will be 100% bioLPG from April 2020.



LNG

Small-scale LNG is another of SHV Energy's specialties. We are very experienced in delivering different forms of off-grid energy through our global presence, but we are a relatively new and independent player in the LNG industry.

The gas in LNG is liquefied through a simple natural cooling process which uses minimal energy. It also produces less carbon emissions compared to most fossil fuels, making it a pragmatic alternative similar to LPG. Switching to LNG offers a more sustainable solution to oil-based products for industrial applications and transportation.

» Customers are really keen to understand how this product is a 'drop-in solution', meaning they don't need to make any additional investment and can keep all the convenience and flexibility they are used to «



JESPER S. SØNDERGAARD, COMMERCIAL MANAGER AT PRIMAGAZ SCANDINAVIA



BioLPG

BioLPG was a significant area of growth for SHV Energy in 2019. BioLPG functions in exactly the same way as traditional LPG but the feedstock differs: bioLPG is made from organic feedstock including waste, vegetable oil and residues, so it is a renewable fuel.

Using bioLPG can reduce carbon emissions by up to 80% when compared to traditional LPG, making it a key part of our carbon reduction strategy.

Additionally, bioLPG plays a vital role in future-proofing our business. As the energy transition develops, many businesses which run traditional oil refineries are considering transitioning them into bio-refineries where bioLPG will be a natural co-product.

SHV Energy first started offering customers bioLPG in March 2018. We have continued to increase our supply since, with distribution volumes doubling over 2019. One key challenge for the Biofuels department in 2019 was scaling up the supply of bioLPG volumes to meet demand.

The Biofuels core team more than doubled in size in 2019, demonstrating our commitment to growing this area of our business.

The Biofuels team is exploring different options to increase the availability of biofuels, including funding innovative research into alternative sustainable feedstocks like bamboo, which grows quickly and plentifully in several of the markets where our business units operate.

Additionally, in 2019, SHV Energy joined the International Dimethyl Ether Association (the IDA), in order to become a part of the global conversation about biofuels that can be created from a huge variety of feedstocks. Renewable dimethyl ether (DME) produced from manure and agricultural residues is one of the potential products the team is reviewing.

All feedstocks our suppliers source for use in their production facilities comply with the European Renewable Energy Directive guidelines, as well as any additional requirements of the member states where we distribute our products.



IMPACT STORY

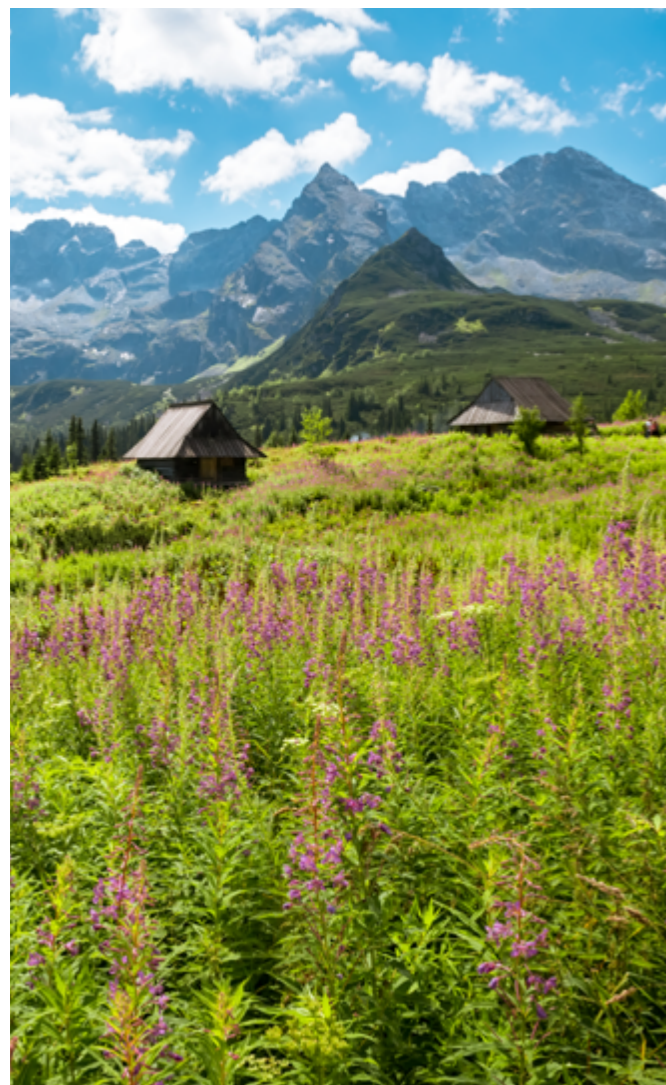
Researching the energy solutions of the future

We have a global portfolio of research and development projects. One area we are particularly focused on is developing novel bio-based transformation processes for the production of bioLPG and other biogases from renewable sources of feedstock. In Northern Ireland, we have been collaborating with Ulster University on a project to produce biogenic propane.

» New solutions using indigenous feedstock are an essential part of the energy transition. We are expanding our own knowledge in this field – but collaboration with experts helps us go much faster «



REBECCA GROEN, DIRECTOR OF BIOFUELS AT SHV ENERGY



Renewables

Today, we focus on LPG, LNG, and increasingly bioLPG. However, the energy mix is constantly developing, and we are determined to keep playing a significant part in its future. Reflecting this ambition, the Renewables department at our Netherlands headquarters grew by 50% in 2019. We are continuing to explore investment opportunities in distributed energy solutions and energy-efficiency services. Furthermore, we are testing different technologies in our business units, such as hybrid heat pumps. The declining cost of renewable energy technologies such as wind and solar energy is contributing to renewable energy sources not only being the most sustainable option but more and more often, the most economical option for businesses and people in many parts of the world.

For example, harnessing solar energy on the planet's sun belt and wind energy in Northern Europe through offshore wind farms is providing communities with accessible, low-cost and low-carbon energy. In this changing energy landscape, new challenges arise. Wind and solar are intermittent, and seasonal and daily energy consumption patterns do not match the availability of wind and solar generation. Companies and households therefore need new energy solutions.

SHV Energy continues to explore opportunities to provide solutions for our customers in this changing energy landscape, and hopes to expand our operations in this competitive area in 2020.

Key achievements of our Biofuels team in 2019

1 We announced our partnership with SkyNRG and KLM to invest in a biofuel plant in the north of the Netherlands, which will produce sustainable aviation fuel alongside bioLPG as a co-product. It is expected that from 2022, the plant will produce 100,000 tonnes of sustainable aviation fuel annually, along with 15,000 tonnes of bioLPG.

2 We supported our innovative San Diego-based partner Oberon Fuels in submitting and being awarded a California Energy Commission grant for a ground-breaking project to produce the first renewable dimethyl ether (rDME) in the USA. rDME is an ultra-low-carbon transportation fuel.

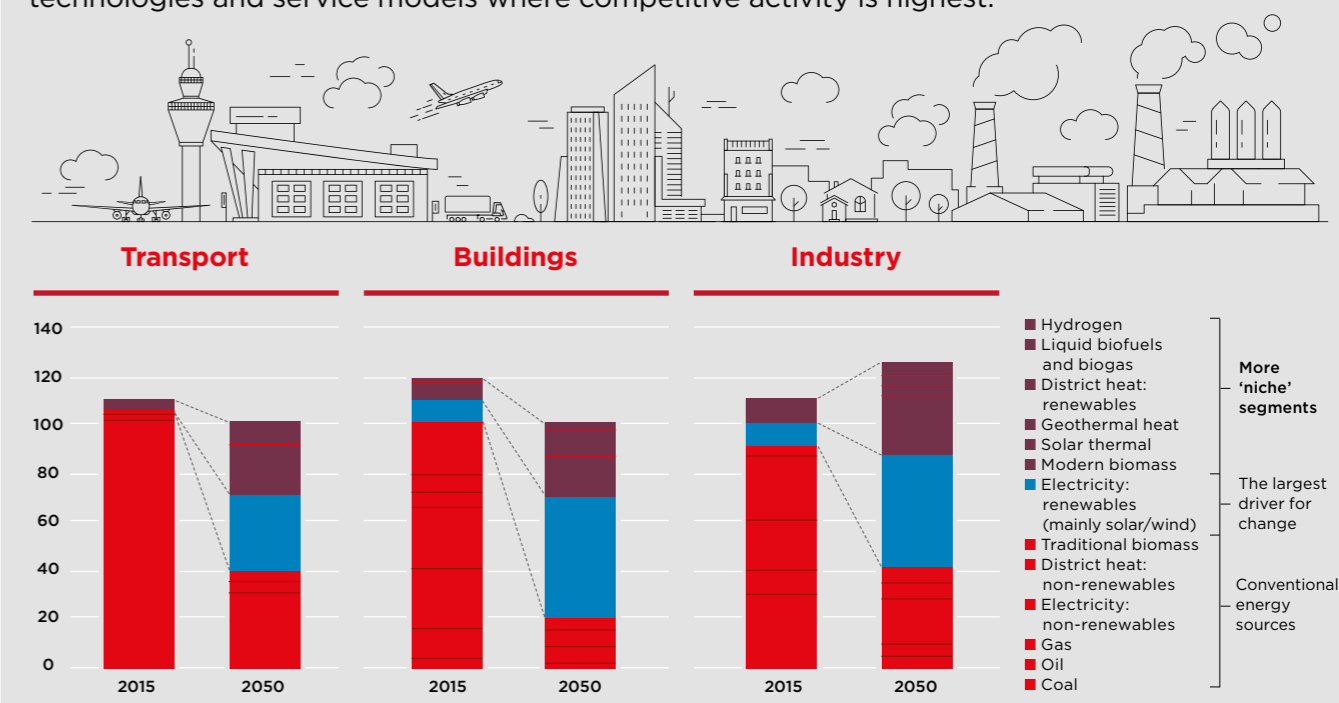
3 Working across our global business units, we have successfully positioned bioLPG as a reliable, realistic and viable solution with many benefits, along with the potential to replace more traditional energy sources.

4 Over 2019 we doubled the volume of bioLPG supplied to customers in key European markets and explored new opportunities and projects around the world. BioLPG currently represents ~4% of our volume in these markets and ~1% of our global volume. We are at the beginning of a long and exciting journey to our 2040 goal.

The energy transition: our renewables strategy

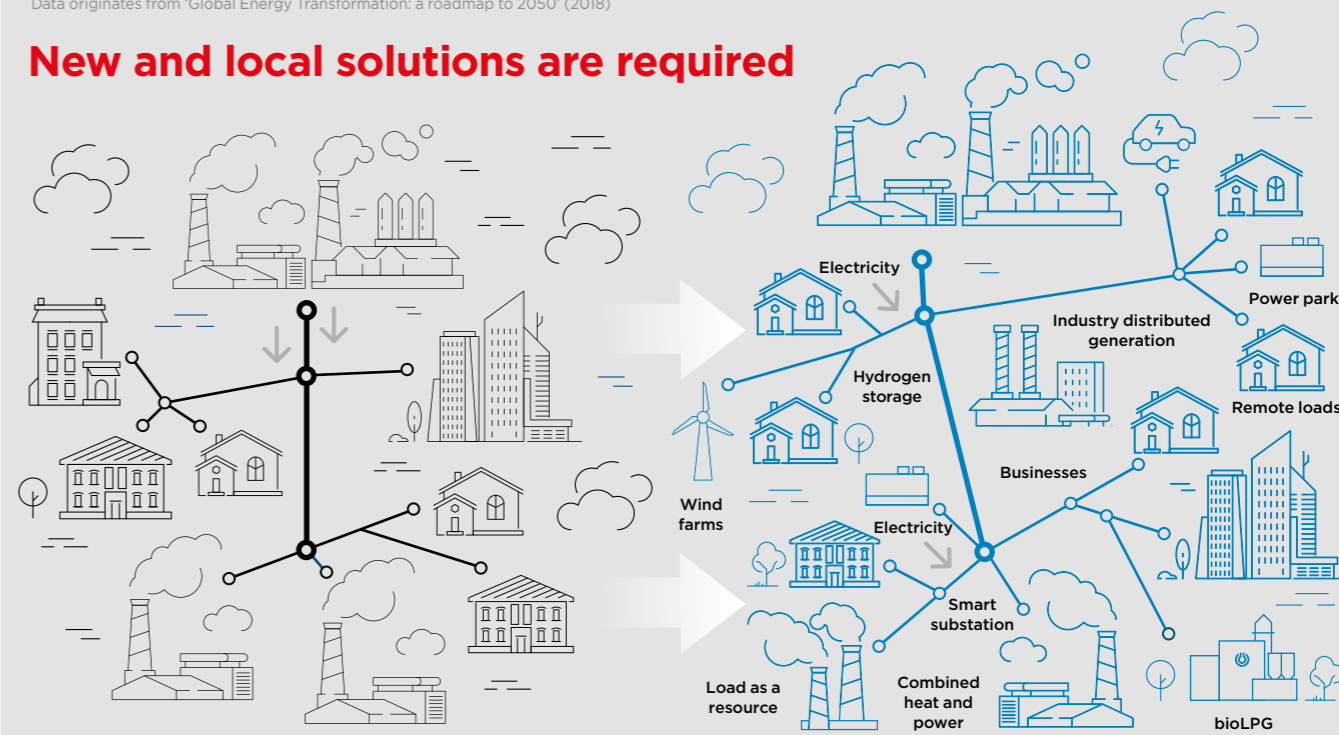
International Renewable Energy Agency roadmap to 2050 (energy consumption in PJ)

The energy transition requires a range of solutions beyond the obvious electricity-related technologies and service models where competitive activity is highest.



Data originates from 'Global Energy Transformation: a roadmap to 2050' (2018)

New and local solutions are required



Sustaining the environment

Aligning our sustainability actions across our business units was a major focus in 2019. Achieving our targets around carbon reduction, the energy transition and long-term value creation requires a coordinated global approach, led from our Netherlands headquarters and championed across all our business units by our Sustainability Leaders.

All Sustainability Leaders report directly into their local business unit and work closely with the Group Sustainability Manager. In 2019, our Sustainability Leaders were tasked with making sustainability more action-oriented and demonstrating the tangible impact of initiatives.

A vital component of 'Advancing Energy Together' is global collaboration and commitment. A sense of collective responsibility towards the environment in our entire community of 17,374 employees is key: everyone must contribute. In 2019 we made significant progress towards building this but in 2020 we will go further with a global awareness campaign translated into each business unit's local language that helps our employees understand how their work fits into the bigger picture.



Driving global alignment on sustainability

We drive global alignment on sustainability through our CO₂ Reduction Programme. An important element of this programme is our Sustainability Measurement Framework, which allows us to track, understand and improve our sustainability performance.

Its dashboard helps business units to see their individual performance against their targets, then drill down into the fine detail of their impact along the whole value chain. They can also benchmark their performance against other business units. In 2019, impact on air quality was integrated as a KPI for the first time.

Additionally, the CO₂ Reduction Programme includes targets on a business unit level that were established in 2019 to map contribution to wider group goals.

Tailoring targets for each of our business units is important, as their markets are at different stages and some have already progressed significantly with goals such as carbon reduction. In 2020, the business units will share their plan to reach their individual targets.

In 2020 and the following years, we have also committed to aligning and streamlining our sustainability communications across our business units. We are committed to ensuring we talk about sustainability in the most accessible way possible in order to engage a broad audience on it, including making relevant comparisons that bring statistics to life.

» We strive to engage every employee to contribute to our sustainability performance, turning their individual behaviour into collective impact «

FRANK RIETDIJK, GROUP SUSTAINABILITY MANAGER AT SHV ENERGY



Committing to continuous improvement

In 2019, our Sustainability Leaders collaborated closely with our procurement teams to identify areas for improvement. As a result, a toolbox for procurement was created that helps the team to integrate sustainability into their everyday practices. By reaching outside our business like this, we increase our potential to create value.

In 2020, we will repeat the same successful process for our Operations, Marketing and Sales teams. As well as ensuring that our business operations are designed around sustainability, we have also taken steps to ensure the activities of our HQ staff are as sustainable as possible.

Key achievements of our Sustainability team in 2019

1

We joined the KLM Biofuels Programme in September 2019, meaning that all business flights taken by SHV Energy head office employees with KLM, Air France and Delta were and will be run on sustainable aviation fuels for a year.

2

The SHV Energy Internal Audit team collaborated with SHV Holdings to assess the sustainability reporting framework across all the different SHV organisations, as well as to check the data quality and identify best practices.

3

We committed to moving to a new office in 2020, designed with sustainability in mind. It will include items made from ocean plastic, an energy monitoring system and plant walls designed to improve the indoor air quality.

IMPACT STORY

Engaging every employee on sustainability

We gave a symbolic seasonal gift to all our headquarters employees in 2019 to remind them of their important role in creating a greener future: a tree planted on their behalf. We selected 'pogmania' trees that are known for their ability to absorb carbon dioxide. Their nuts also contain crude oil, which can be refined to produce a renewable bio-based energy source, fitting perfectly with our goal of increasing our supply of renewable bio-based energy.



Carbon emissions

At SHV Energy, we measure our carbon emissions in two distinct ways: our carbon footprint and our carbon impact. When we measure our carbon footprint, we're looking first and foremost at our direct emissions (from our facilities and vehicles), which are the easiest for us to reduce. However, we also look at our indirect emissions through the entire value chain, including purchased electricity, outsourced operations, consumer usage of our products, employee business travel, and extraction and production processes, and assess where we can make reductions.

More and more customers, particularly business customers, choose us for their energy supplier because we can support their goals around reducing their carbon footprint in an affordable, practical way.

On the other hand, our carbon impact is based on the impact of our products and services on the carbon footprint of our customers, which reduces as they switch from traditional high-carbon energy sources to LPG, LNG or bioLPG. As we increase the supply of bioLPG to meet demand and move towards renewable energy, our carbon impact will further increase.

Our goal of a 25% reduction in the carbon dioxide created per tonne of LPG we distribute by 2025 is a combined total of our carbon footprint and carbon impact performance.

IMPACT STORY

Supporting our customers to operate sustainably

One common reason why businesses choose to switch to SHV Energy as an energy supplier is to reduce their environmental footprint in an affordable, accessible way. One example of this is A'Chouffe, an award-winning Belgian brewery based in a small village in the Ardennes region. When reviewing their energy supply, the company was clear that the transition from their current fuel had to be based upon both ecological and economic reasons. By switching from oil to propane, A'Chouffe saves 15% CO₂ on an annual basis. As the regulations in the region regarding CO₂ emissions become more stringent, they are now discussing switching to bioLPG.

» As a growing brand, A'Chouffe is constantly looking for opportunities to expand and improve. Primagaz is there to help «

DANY LEBRUN, BUSINESS DEVELOPMENT MANAGER AT PRIMAGAZ BELGIUM N.V.



Our carbon emissions



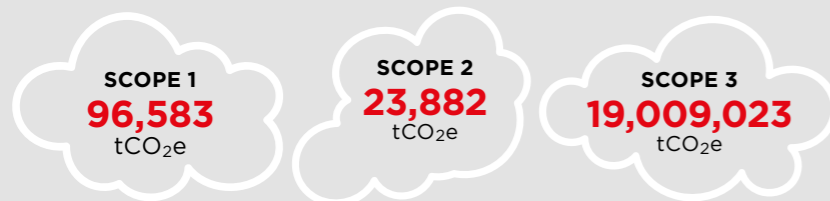
25%

reduction in gCO₂ emissions per tonne LPG distributed by 2025*
Progress in 2019: 3.8% reduction**

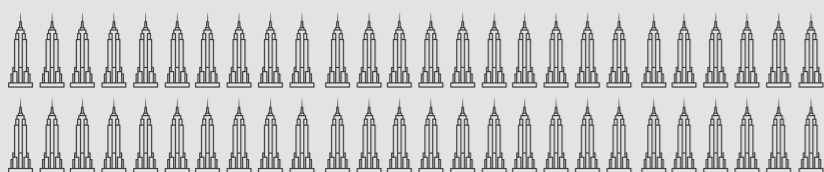
*Baseline is 2016

Carbon footprint

Total CO₂ emissions: 19,129,488 tCO₂e



19,129,488 tonnes is equivalent to the weight of **52 Empire State Buildings**



Carbon impact

307,701
saved tCO₂ emissions

Equal to the weight of

1,677 Boeing 747s...

the energy usage of

61,779

average worldwide citizens for a year...

210,754

years of using a 42-inch LCD TV continuously... or

38,841 times flying around the world.

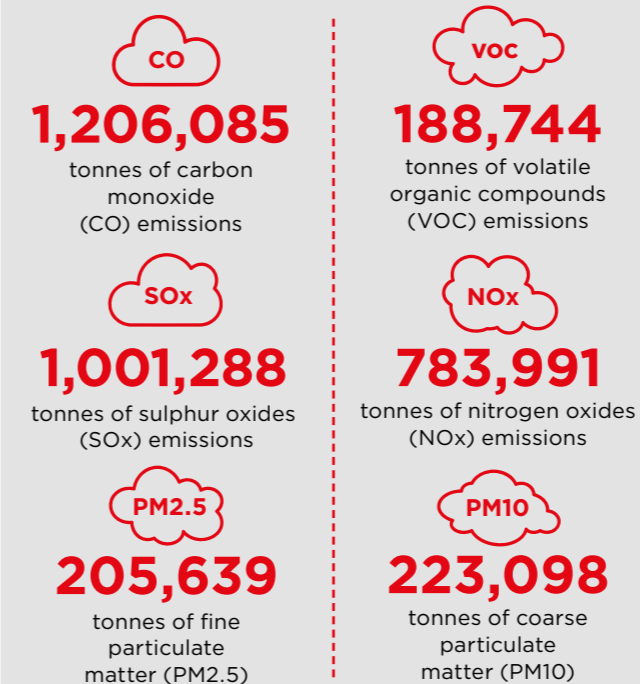
141,326

trees would need to grow for 100 years in order to offset this volume of emissions.

**3.8% is in line with our expected development towards a 25% reduction in 2025. We see increasing potential in bioLPG and its impact on our reduction performance. Increased efficiency in our logistics and filling operations will also help us to deliver the necessary reduction.

Air quality impact

In 2019 we reduced air emissions by switching customers to our cleaner energy carriers by:



Air quality

The severity of air pollution and quality issues ranges significantly across the countries where our business units operate. In places like India and Northern Italy it is an everyday concern. Our different business units therefore prioritise it according to their needs. There are many factors that affect air quality, such as air temperature, urban topography, ventilation, wind speed and rainfall.

However, the extraction and burning of fossil-based liquid and solid fuels such as coal, oil, peat and even woody biomass is the main factor in reduced air quality.

Reporting on air quality is more complex than carbon emissions because of the factors mentioned above,

and the variety of different pollutants that affect it. Our approach is to calculate the air pollutants saved by using our products as opposed to traditional fossil fuels.

The World Health Organisation estimates that poor air quality contributes to around seven million premature deaths each year. Despite this, the importance of reducing air pollution is not at the forefront of public awareness compared to using decarbonisation to prevent climate change.

We will be conducting global awareness campaigns in 2020 to help our employees understand this important aspect of our sustainability strategy and their own role in it.

IMPACT STORY

Raising awareness of air quality

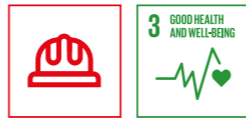
Our Italian business unit Liguigas runs a programme called '1, 2, 3... RESPIRA!'. This award-winning interactive educational programme teaches children, their families and teachers what causes air pollution, what the negative consequences of air pollution are and most importantly, what they can do to combat air pollution and help to improve air quality. Through this programme, we're setting children up to make cleaner, greener energy choices and drive the energy transition.

» For us at Liguigas, being sustainable also means contributing to the spread of a culture of environmental awareness that reaches everyone, starting with the younger generations «

SIMONE CASCIOLI, SAFETY, ENVIRONMENT, ENERGY AND SUSTAINABILITY MANAGER AT LIQUIGAS ITALY



Improving health, safety and well-being



The safety of our employees and those who work on our behalf is our number one core value. Safeguarding the well-being of the employees who make our business operations possible, as well as our customers, is a key part of ensuring our impact on the world around us is as positive as possible. Our ambition is to have zero incidents.



A year of discovery

2019 was a year of discovery. Our Health and Safety activities were determined as a key area of improvement, but analysis was necessary across the group to focus the improvement process. The different business units were asked to review their performance on two areas in particular. The first was 'visible felt leadership', determined through a self assessment. The analysis was based around the Bradley Assessment Model (Bradley Curve), an industry standard that assesses the maturity of the Health and Safety culture within an organisation.

The second area of focus was creating an Operational Discipline and Process Safety Roadmap. This was another self assessment that all business units were required to complete, focused on ensuring that the highest standards of safety were respected within our operations, particularly relating to the prevention of any uncontrolled release and the secure containment of our gas products. In 2020, with this analysis complete, we can apply the learnings and continue to drive excellence in Health and Safety. The output of the analysis will also be used as the basis for our Health and Safety audit and continuous improvement programmes.

To support this goal, all employees and contractors of SHV Energy are empowered, encouraged and expected not to work in any unsafe conditions, or any conditions that they believe to be unsafe. Control methods such as the Speak Up programme allow for anonymous reporting of any potential safety issues.

We also ensure all incidents and near misses are discussed and investigated thoroughly to prevent them reoccurring, then lessons are communicated across the organisation. Health and Safety excellence happens when everyone, regardless of their position, is a Health and Safety Leader.

IMPACT STORY

Learning from incidents

We are working hard to prevent Health and Safety incidents from occurring. However, when they do occur, one part of our response is to provide extra training to the employee or employees involved to ensure they understand why the incident occurred, the importance of complying with all rules, and how to prevent a repeat occurrence.

Following a significant road traffic accident, one of our contracted professional LPG bulk truck drivers wanted to share the lessons he learned after he was invited to complete extra training because of the incident. He explains:

» I now understand why seat belt use is really important. All of you emphasised its importance in all our training, and unfortunately I understood why after my bad experience «



IMPACT STORY

Ensuring continuous improvement

Philippe Titren joined Liotard, one of SHV Energy's tank manufacturing plants, in 1986. He works as a maintenance supervisor and describes how he has seen Health and Safety develop and mature in his 33-year tenure.

"Since Sandrine, our Health and Safety manager, arrived in 2018, things have changed. For example, PPE (personal protective equipment) quality has been improved. It's had a huge impact on how protected we feel at work. Especially in maintenance, when we repair machines some pieces could hurt us even if the correct lockout-tagout procedure is followed, so good PPE is important. There were also safety campaigns for all employees."

» As a manager, I always try to set an example. If I see someone doing something wrong, I stop them immediately and explain «

PHILIPPE TITREN, MAINTENANCE SUPERVISOR AT LIOTARD



Occupational Health and Safety

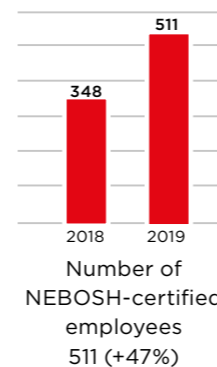
Goal

<0.2 lost time injury frequency rate per 200,000 hours by 2023

Progress in 2019

Lost time injury frequency rate improved by 16.5% vs 2018

WE ACHIEVED ZERO WORKER OR CONTRACTOR FATALITIES IN 2019



Health and Safety training programmes

- First aid training
- NEBOSH General certification
- Forklift Truck certification
- Defensive driving training
- Risk Assessment training (launched in 2019 in Turkey, Brazil, Italy, People's Republic of China, the UK and India)
- Human Factors Engineering Standard and associated training programme
- H&S Standards and Procedures training
- Training aimed at third-party gas distributors network and clients

IMPACT STORY

Resolving emergency incidents

Our emergency response teams are highly trained to mitigate the risks involved in an incident and carefully resolve it.

Gas Luo, the Environment, Health and Safety Manager of Guangzhou Xiran, People's Republic of China, describes how he and his team successfully resolved an issue in 2019. "A road tanker transporting 30 tonnes of LPG operated by an external company turned over on a public road in Guangzhou in August 2019. I took the lead of the emergency response team to transfer the LPG from the overturned tanker to a new vehicle. We worked for 20 hours, and finally transferred all the 30 tonnes of LPG safely."

» I am especially proud of the expertise of our emergency response team and of our company's big investment in safety «

GAS LUO, ENVIRONMENT, HEALTH AND SAFETY MANAGER AT GUANGZHOU XIRAN



Refining our Global Health and Safety Strategy

Revisions to our Global Health and Safety Strategy included focusing KPIs more on proactive and preventative behaviours and the inclusion of targeted improvement for reducing transportation and manual handling injuries, along with consistent communication on, and visibility of, Health and Safety leadership.

The introduction of a new governance structure at business unit and group level places accountability for Health and Safety performance with leadership teams and operational employees. With the appointment of a new Health and Safety Cultural Change Manager, we have also begun preparations for a new Cultural Change programme, ready to be launched in 2021.

The programme will focus on developing Health and Safety leadership across the organisation, in part through understanding key factors that could inhibit safe working practices and resolving them. Ultimately, our strategy is built upon the knowledge that nothing is so urgent or important that we cannot take time to do it safely.

SHV Energy is also active in relevant industry associations and institutes such as the World LPG Association, working in collaboration with other industry stakeholders to develop and establish best practice, including the development of industry guidance.



Keeping our customers safe

Our responsibility to ensure safety for all our stakeholders doesn't only apply to our employees or our operations. Ensuring our customers know how to use our products safely is just as important.

Many customers switch to our products from energy sources like coal or wood and aren't familiar with liquefied energy products. With this in mind, we provide guidance on safe use, particularly focusing on correct hose use as it carries the highest risk potential if improperly used.

Health and Safety directives

Depending on the type of activity and risk, several EU directives and/or ISO standards are consulted to ensure the alignment and compliance of the Health and Safety Management System, in order to provide the best possible protection to both our employees and customers:

The European Framework Directive on Safety and Health at Work (**Directive 89/391 EEC**)

Directive **2008/68/EC** – inland transport of dangerous goods

Directive **2000/39/EC** – indicative occupational exposure limit values (and follow-up amendments)

Directive **90/269/EEC** – Manual handling of loads

Standards by **ISO/TC 67/SC 9** – Liquefied natural gas installations and equipment

ISO 14245:2019 Gas cylinders – Specifications and testing of LPG cylinder valves

ISO 15995:2019 Gas cylinders – Specifications and testing of LPG cylinder valves

Key achievements of our Health and Safety team in 2019

1 We progressed significantly in two key Health and Safety indicators. We reduced lost time due to injuries by 11% and increased Health and Safety Observations by 21%, implying that more hazards are being identified and resolved before they cause harm.

2 We developed our Global Health and Safety Strategy. Mindful of local differences, we made sure it allows sufficient flexibility for local improvements at business unit level, whilst aligning with the group's overall key performance indicators.

3 We launched a review of all our customer incidents to determine their root cause and understand how we can both improve our products and educate our customers better, working towards our 2030 goal of no fatalities, injuries, occupational illnesses or disablement as a result of our products or operations.



IMPACT STORY

Reducing road transport incidents through root cause analysis

In 2019, the management team at Supergas India was concerned about the number of road transport incidents that were happening in the business unit. In response, they arranged a transport safety training week in Hyderabad.

The outcome of the training week was a dramatic improvement in the investigation of transport incidents, and the identification of corrective actions based on their root cause. Siva Sankara Subramanian Maheswaran, Health and Safety Manager at Supergas India, found the training very beneficial.

Product safety



100%

of our significant product and service categories covered by and assessed for compliance with product safety procedures



LPG cylinders



LPG tanks



LPG bulk



LNG installations

»I would recommend that every SHV Energy business unit avails of this training in order to fully understand the underlying cause of incidents«

SIVA SANKARA SUBRAMANIAN MAHESWARAN, HEALTH AND SAFETY MANAGER AT SUPERGAS INDIA



Enhancing employee and community development



Our employees, a global community of over 17,000 people, are our most important asset, particularly when it comes to achieving our mission of 'Advancing Energy Together'.

Our status as a family-owned company contributes to our friendly, supportive working environment, but we are still performance-driven. These aspects are balanced in how we interact with our employees.

Through providing a safe, supportive and rewarding work environment where employees are encouraged to build their skill sets and take on new challenges and responsibilities, we contribute to SDG 8, 'Decent Work and Economic Growth'.



Employee development

We want our employees to continuously develop themselves. This could be within their current roles by looking at further growth in areas like safety awareness, lean thinking, innovation or digitalisation.

It could also be through cross-functional career moves or moving into a more senior role. Our commitment to excellent performance and development is supported by our Global Human Resources (HR) and local HR teams.

Key achievements of our Human Resources team in 2019

1 We launched a new HR information and performance management system called Workday in 18 of our countries in 2019. The creation of this global platform represents significant progress towards the goal of aligning our talent management and performance tracking across our globally distributed business units.

2 Global alignment, due to the implementation of Workday, is helping each individual employee to understand not just their individual targets but how they fit into the local and global targets and overarching business strategy, showcasing each employee's vital role in our mission to advance energy together and helping to motivate them.

3 Additionally, we introduced a Global Job Framework in 2019, which maps out all the job functions across every business unit and groups them into 45 job families. This is another step towards harmonising our HR function globally. In 2020, we will create specific content and training materials for each of these job families, and explore how employees within the same families across different business units can learn from one another.

4 We also transformed our approach to change management in 2019. From what was previously a very technical approach, we now focus on organisational and individual readiness which includes building confidence and shared belief in the collective capability for change. This new strategy has been integrated into employee training.

5 Finally, we redesigned our talent and management development programmes to ensure they are fully aligned with our 'Advancing Energy Together' agenda.





Talent management

We focus on hiring from within the group wherever possible, meaning there is a strong focus on bottom-up talent reviews across all functions. This approach enables us to prime our succession pipeline.

We also consider candidates from across our business units for leadership roles as part of our talent transfer programmes. Talent transfer enables our business units to learn from each other and increases the diversity of our teams.

A key challenge for our HR teams is balancing our business units' local needs with the standards required for global collaboration. With this in mind, local employees in management roles are required to speak English so they can collaborate and communicate globally. To support this, SHV Energy provides English lessons in many of its locations.

» **The best thing about my experience working in different SHV businesses has been seeing the same spirit of innovation everywhere** «

DANNY MCMAHON, PROJECT MANAGER AT MAKRO GROUP



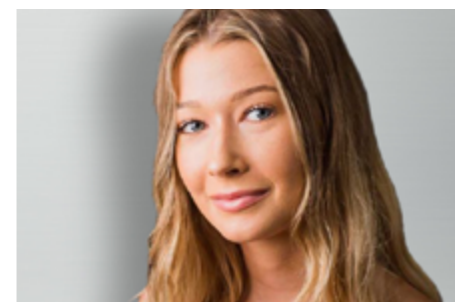
IMPACT STORY

Our talent transfer programmes

We organise a range of talent transfer programmes. Danny McMahon, currently a Project Manager for Makro Group in São Paulo, has worked in three different business units of SHV as part of our 222 International Leadership Programme. Katherine Price, a Supply Chain Graduate at Calor GB, had the opportunity to complete an assignment at SHV Energy headquarters in the Netherlands as part of our Graduate Development Programme.

» **Colleagues who participate are able to spread knowledge and experiences of different functions across the business and offer a holistic view** «

KATHERINE PRICE, SUPPLY CHAIN GRADUATE AT CALOR GB



IMPACT STORY

Boosting global collaboration through English lessons

Speaking the same language enables us to leverage the collaboration advantages of working in a global company. Yaprak Orkide Cancan, HR Specialist at our Turkish business unit Ipragaz, explains how Ipragaz designed and ran its English courses.

Employee development and diversity

17,374 employees



24%
female



76%
male



40%
of employees covered by collective bargaining agreement

21 hours of training per employee, on average

3,600,000 EUR group learning budget

We also set two new targets to help drive our progress on diversity:

Improve our gender balance and obtain **25% women** in senior leadership positions by 2030

Ensure senior management teams have at least **one member** from an **under-represented nationality** by 2030*

*Defined as a different nationality than the dominant one in the team

» **We applied a methodology based around 'learning by living and experiencing'. As a result, we improved our communication and language skills** «

YAPRAK ORKIDE CANCAN, HR SPECIALIST AT IPRAGAZ TURKEY





Promoting diversity and inclusion at SHV Energy

Diversity is an area of focus for our HR teams. We believe that inclusion and broad representation is key to a business' success, both in terms of tangible results and in creating a positive, supportive atmosphere.

Ultimately, we hire and promote based on who is the best candidate for a role, but significant attention is paid to diversity in both hiring and selecting participants for development programmes to ensure inclusion.

For example, we commit to at least a third of candidates for each leadership position being female. At a business unit level, for the first time we have a board that is predominantly female.

We are also committed to equal pay for men and women, and regularly analyse the payrolls at both our headquarters and business units to ensure there is no disparity based on gender.

In 2019, we successfully launched the 'Taking the Stage' initiative within our organisation, with the goal of strengthening our female succession pipelines. 'Taking the Stage' is designed to empower women and prepare them for leadership roles.

Throughout the programme, participants build the confidence to see themselves as leaders, and then ensure that they convey leadership throughout their communications so that other people recognise them as such.



IMPACT STORY

Empowering female employees to take the stage

Rachel Risi, the Global Growth Director at SHV Energy, talks about her experience participating in the 'Taking the Stage' programme.

» It was really useful to debate and better understand gender stereotypes, and discuss how we as women should embrace our leadership identities «

RACHEL RISI, GLOBAL GROWTH DIRECTOR AT SHV ENERGY



Community initiatives

Investing in people is a key part of SHV Energy's corporate philosophy. As well as defining our approach to talent management, it conveys our commitment to social responsibility. With this in mind, we focus our social responsibility and community programmes around education, which we view as making a long-term investment in people and communities. We refer to this collection of programmes as our 'Start from the Heart' campaign.

Our educational programmes include constructing and operating schools, providing training on cooking safely with LPG and LNG fuel products, and teaching children about air pollution.

To encourage and acknowledge all the community work that is being done throughout the SHV family of companies, the Lapwing Awards were introduced. These awards are handed out annually to the project which creates the most value.

Our business units are uniquely positioned to understand the socio-economic challenges and needs of their local communities; we encourage them to both find local projects to support and to set up their own. Through education, along with the confidence that comes through learning in a supportive environment, our beneficiaries are supported to support themselves.



Community initiatives



> 45,000

individuals benefitted from the programme 'Start from the Heart' or another community initiative

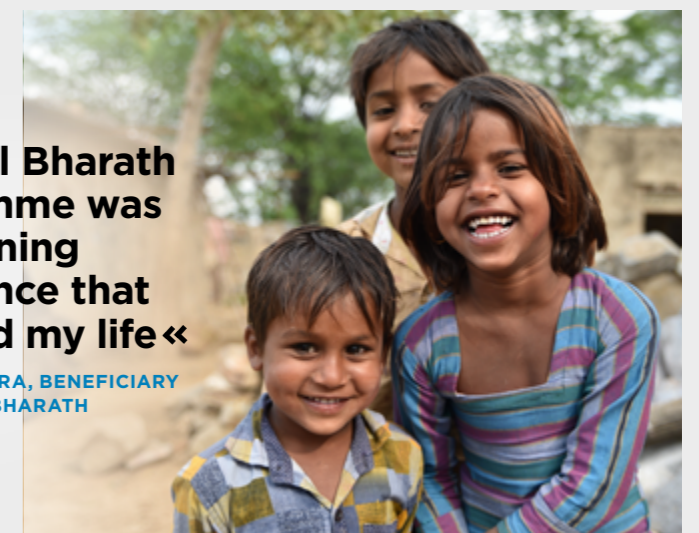
IMPACT STORY

Lifting people out of unemployment

Chord, a non-profit based in Hyderabad, India, is one of the community projects we support. Chord runs a range of programmes based around empowering people from underprivileged communities through education and training. Its Skill Bharath Programme is a development initiative set up to tackle one of the main causes of unemployment in India: lack of employability.

» The Skill Bharath Programme was the learning experience that changed my life «

NALLI SURENDRA, BENEFICIARY OF THE SKILL BHARATH PROGRAMME



Safeguarding integrity

Results are important to us, but how we reach those results is just as significant. Fair and honest business conduct is paramount. It all starts with ensuring the right tone at the top, which is then supported by the Ethics & Compliance function through a solid Ethics & Compliance framework, including regularly updated policies, manuals and guidelines, and adequate Ethics & Compliance training and awareness.



Business integrity

Our Ethics & Compliance (E&C) function consists of a small team at our group headquarters and Compliance Officers at each of the SHV Energy business units. This set-up ensures a consistent overarching approach across all of our business units, which can then be tailored to meet the specific demands of each particular market by local professionals, who are also best placed to advise the local business, implement processes and monitor compliance. This combination of global and local approaches also facilitates sharing knowledge and best practices with and between business units.

When talking about E&C, the main subjects are anti-bribery and corruption, competition law, sanctions and export controls, privacy and data protection, third party due diligence, and fraud. We also address other topics such as anti-money laundering, lobbying and insider trading.

Adhering to the law and our group policies is key to safeguarding integrity.

We strive to have an open culture and ask that all employees speak up if they have any concerns or questions about whether the law or our policies have been, or are at risk of being, breached. We encourage people to discuss any concerns directly with the person or people involved, and try to ensure they feel comfortable doing so. If that is not possible, we expect the member of staff concerned to talk to their manager, Human Resources or their Compliance Officer. If these options are not possible, they can report the concern by using the Speak Up helpline.

The Speak Up helpline can be reached by telephone or through the online portal. This can even be done anonymously. A concern raised via the helpline will be treated confidentially and we do not tolerate retaliation against a person who has raised a concern in good faith.

In order to train people on the relevant E&C rules, our Compliance team has developed e-learning on anti-bribery and corruption, competition law, and privacy.

A new e-learning on trade sanctions and export controls is currently being developed by SHV Holdings and will be rolled out in the first half year of 2020. All business units have instructions on who to invite to these e-learning. On average, completion rates of these e-learning are above 90%.

In addition, we create awareness in other ways such as face-to-face training, town hall meetings and newsletters.

IMPACT STORY

The importance of a trustworthy communication channel

Having a trustworthy communication channel available where employees can raise their concerns in a confidential manner is of paramount importance. Marco Rogério Ferraz de A. Junior, the Compliance Officer at Supergasbras in Brazil, describes the success of the Speak Up programme below.

»I have witnessed the growing importance of the channel. Analysing the maturity of the programme, I conclude that it made our organisation a better place to work «

MARCO ROGÉRIO FERRAZ DE A. JUNIOR, COMPLIANCE OFFICER AT SUPERGASBRAS



Key achievements of our Ethics & Compliance team in 2019

1
In 2019, we prioritised enhancing awareness of Ethics & Compliance throughout the group.

2
A further area of focus in 2019 was embedding our Ethics & Compliance policies in our processes.

3
We also worked to strengthen the Ethics & Compliance function across the group.



Responding to risks

Engaging with third parties is crucial for our business. We engage with many third parties such as suppliers, customers, agents, distributors, contractors and joint venture partners.

However, engaging with third parties may also create risks, since organisations are held responsible not only for their own activities but also for the actions of the third parties they engage with. We therefore must be aware of the risks that our relationships with third parties can cause. To determine whether it is acceptable to conduct business with a third party, we operate a group-wide process of third-party due diligence.

Risks may change over time; we adapt our process to those risks as they develop.

The volatility of the political situation worldwide led to new trade sanctions, which affected several of our business units. We are continuously monitoring these developments, and work with the relevant businesses to take action when and where required.

» We continuously improve our third-party due diligence process to make sure it both adequately helps to mitigate the potential risks and at the same time ensures smooth continuity of business operations «

CEREN HACIALIOGLU, COMPLIANCE OFFICER AT IPRAZ TURKEY

IMPACT STORY

Our improved third-party due diligence processes

Adequate third-party due diligence (TPDD) is an essential part of an effective, solid and risk-based compliance programme. Understanding compliance concerns, defining third-party scope, accurate screening, appropriate mitigating actions and continuous monitoring are fundamental steps of our TPDD process. Ceren Hacialioglu, the Compliance Officer at our Turkish business unit Ipragaz, explains how its TPDD processes developed over 2019.



Speak Up reports

 **195** Speak Up reports

 **100%**
of these reports have been investigated

 **71%**
of reports were classified as substantiated or partially substantiated

 **83%**
of the cases led to action being taken

Creating awareness

More than **90%** of the target audience has successfully completed the **e-learning**s on **anti-bribery and corruption, competition law and privacy.**

Outlook

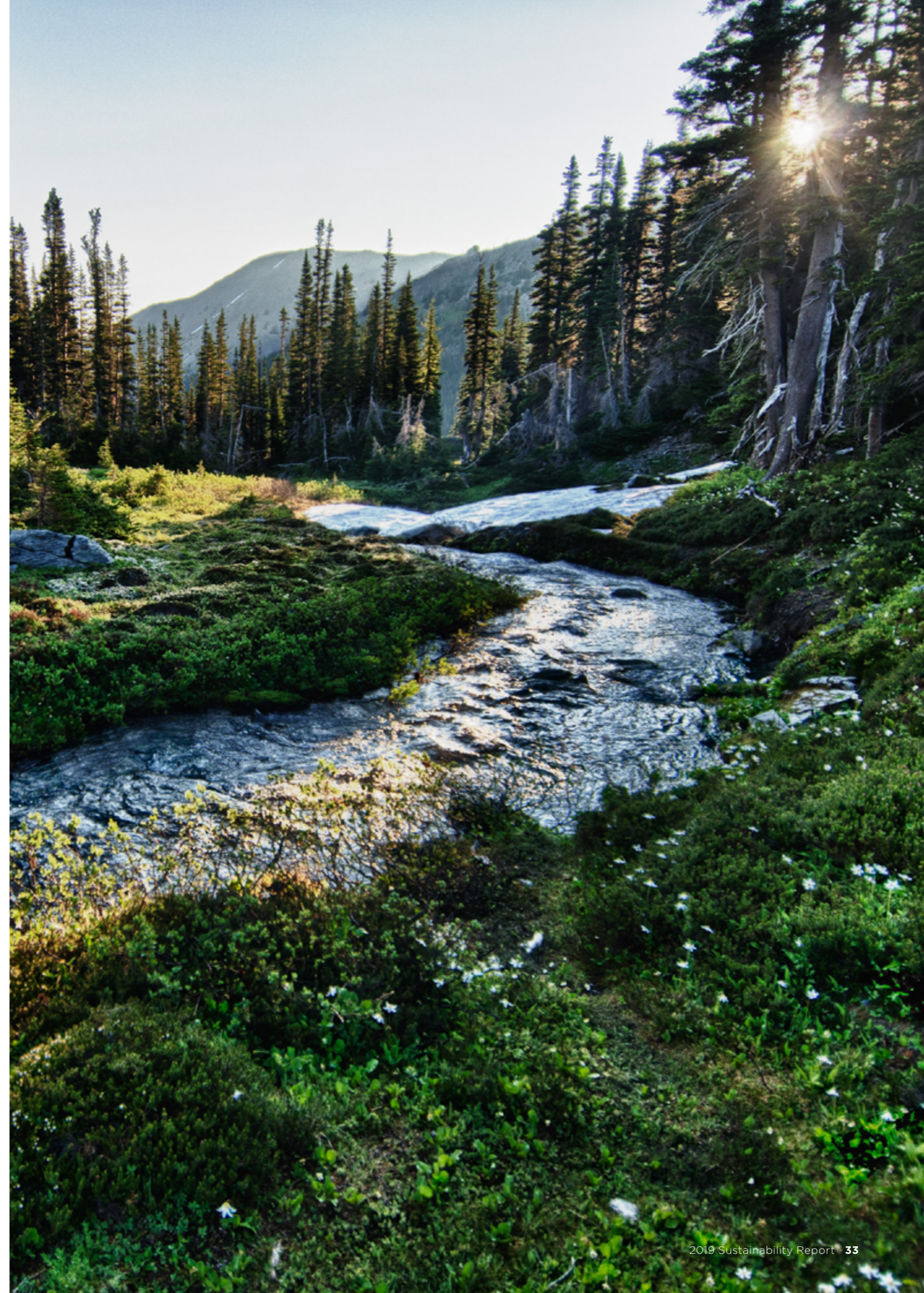
In 2020, we will continue to build upon our successes. We will continue to provide cleaner, greener energy for those beyond the gas grid, and continue to increase the supply and availability of bioLPG to help our customers progress along the energy transition in a practical, accessible way.

We will be focused on reducing our environmental impact in terms of carbon emissions but also on making a positive impact through our community work, including awareness campaigns on important topics like air quality.

We will continue to prioritise the health, safety and well-being of our employees, contractors and customers above all else, building on the analysis we conducted in 2019 by implementing further actions based on our learnings and continuing to build a healthier, cleaner and safer world.

We have set ambitious goals, detailed throughout this report, and we are on track to achieve them. The full impact of the COVID-19 pandemic on our operations remains to be seen, but the strength of the collaboration that binds our global community of business units and our long-term perspective as a family-owned company put us in a strong position for the uncertainties ahead.

We will continue to strive towards our mission of 'Advancing Energy Together' in 2020, seeking further opportunities to lead the whole sector forward with us and ensuring every employee understands their role in our mission.



Materiality analysis and stakeholder engagement

We understand the importance of focusing on the sustainability issues where we can have the greatest impact.

In 2017, we carried out a materiality assessment to define our agenda of strategic sustainability topics and to enable a strategic discussion with general and local management on how, and to what extent, sustainability could add value to our organisation.

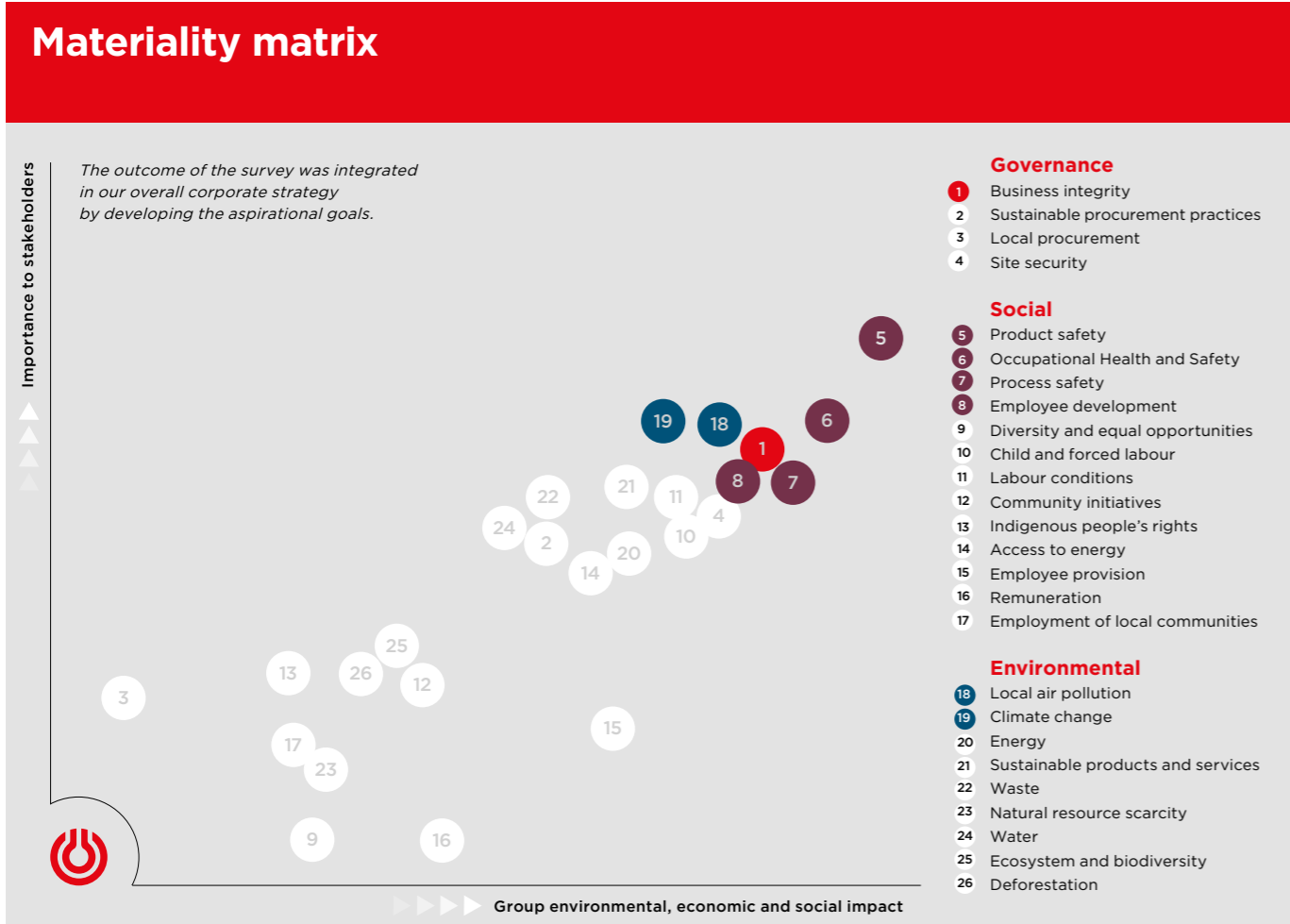
As part of our materiality assessment, an online survey was used to collect feedback from over 2,000 stakeholders worldwide including our clients, our strategic partners and community leaders.



Materiality assessment

Through our materiality assessment, we identified 26 important topics. The results of the online survey were analysed and mapped against importance to stakeholders and their significance on the organisation's environmental, economic and social impact.

This report covers the seven topics identified as the most significant to our group and our stakeholders shown at the right of the matrix below.



Stakeholder engagement

We view stakeholder engagement as critical to our business. We use the input from our stakeholders to create, validate and improve our sustainability strategy. Our primary stakeholders are those who have a significant interest in the actions and views of the group, and whose actions and views are, in turn, of significant interest to us.



Stakeholders

Suppliers
Customers
Competitors
Regulators/authorities
NGOs
Local communities
Employees
Other SHV organisations

Our stakeholder engagement process focuses primarily on our employees, customers and regulatory bodies. We engage these stakeholders through various formal and informal methods. We engage our employees regularly through weekly and monthly staff meetings, training and reporting. Additionally, employees are encouraged to communicate openly and honestly about issues or concerns as they arise, with the support of our Speak Up programme if necessary.

We engage our external stakeholders through active participation in international and local industry associations, working groups, events and conferences, white papers and face-to-face meetings. We organise safety training and meetings with our customers on a regular basis and empower them to join on us on our mission to advance energy together.

We have also increased our engagement with organisations such as the World LPG Association, Liquid Gas Europe, the World Biogas Association and the International DME Association.



About this report

This is the third annual sustainability report of SHV Energy, which focuses on our operations with regards to sustainability across all our business units during the 2019 calendar year.



The scope of this report

The scope of the report is SHV Energy, established in Hoofddorp, the Netherlands. This report applies to all geographical markets and business units listed on page 4. The activities of any other associates are not in scope.

In 2019 we acquired several companies and activities in China, France, Italy, Spain, Sweden and the USA.

With these transactions we strengthened our LPG portfolio and increased our customer base.

The content of the report is built around the group's impact, its value and its four aspirational goals. Each aspirational goal covers the relevant most material topics identified through the materiality assessment.



Data quality

The report uses qualitative descriptions and quantitative metrics to describe our policies, programmes, practices and performance. Where possible, we derived the quantitative information in this report from our own systems locally and on a group level.

The qualitative information was provided and justified by the staff members responsible for the various topics. The reported data was generated with the highest level of reliability, but we note that uncertainties are inherent in measuring methods and data collection.



Glossary

Here are some of the most important abbreviations used throughout this sustainability report.

KPI: key performance indicator

L&D: learning and development

LNG: liquefied natural gas

LPG: liquefied petroleum gas

LTI: Lost time for injury rate; the number of lost-time injuries that occurred in a workplace per 200,000 hours worked

mt: metric tonnes

mln: million

NEBOSH: National Examination Board in Occupational Safety and Health

PJ: petajoules. Joules are the standard unit of energy; one petajoule is one quadrillion joules

SME: small- and medium-sized enterprises

t: tonnes



Estimates and assumptions

To show our impact on the community, we developed two performance indicators:

- Number of individuals benefitting from the 'Start from the Heart' programme or another social initiative
- Charitable contributions

Not all business units measure their community investment. Therefore, the total number of beneficiaries and the total amount of charitable contributions are not exact, and are in part based on assumption. Charitable contributions were made in local currencies. For this report, we used the exchange rates as per the 31st of December 2019.



Changes to our reporting

This report represents a significant development in our sustainability reporting. It covers our strategy and achievements with enhanced transparency and consistency.

For the first time, this report has been prepared in accordance with the GRI Standards: Core option. The GRI Content Index can be found on our website.

We introduced a new set of KPIs and enhanced our value creation model to provide a broader view of our business and strategy. Through integrating the key KPIs and concerns of local teams alongside the group KPIs, we have given the report more of a global focus than previously, to convey our global impact.

Definitions of the most material topics

Aspirational goal	Most material topic	Definition
Sustaining the environment	Local air pollution	The generation of air emissions that affect health and environment on a local level. Examples are NOx, SOx, VOC emissions and PM.
	Climate change	The generation of greenhouse gas (GHG) emissions that contribute to climate change. There is a strong scientific consensus that human activities are responsible for global warming by increasing atmospheric concentration of GHG.
Improving health, safety and well-being	Product safety	The design and provision of safe products that ensure the safety of the consumer and do not represent any hazard to their health or well-being.
	Occupational Health and Safety	The organisation's duty of care. Low injury and absentee rates are generally linked to positive trends in staff morale and productivity.
	Process safety	The manufacturing, handling and use of dangerous substances, and the management of pressurised systems, have the potential to present major hazards to people, assets and the natural environment. Accidental spills of oil, chemicals and other harmful substances are also part of this topic.
Employee and community development	Employee development	The training and development of employees to ensure a skilled workforce for the future.
Safeguarding integrity	Business integrity	The company's values, principles, standards and norms (often described in the Code of Conduct). Important core principles of governance and business values are accountability, transparency, integrity and compliance.

Community initiatives is not listed as one of our most material topics, however we strongly believe that we can indirectly contribute to more robust societies through community investments, or through social initiatives with a focus on community development. One example of this is providing access to affordable, high-quality education or healthcare. With this in mind, we consider community initiatives part of the aspirational goal 'Employee and community development'.



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