



COMMUNICATING 'GREEN'

UNIPART'S COMMITMENT TO NET ZERO CARBON

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ABOUT UNIPART

Unipart Group employs more than 8,000 people worldwide and has an annual turnover of nearly £1 billion. The company operates in the manufacturing, logistics and consultancy sectors for clients in automotive, leisure, manufacturing, mobile telecoms, rail, retail, technology and health. Customers include Vodafone, Jaguar Land Rover and The NHS Supply Chain.

All Unipart sites operate according to the Group's proprietary version of lean known as The Unipart Way. This is a philosophy of working underpinned by tools and techniques that inspires efficiency, flexibility and outstanding customer service in any process.

BACKGROUND

Unipart has long been committed to sustainability and we continue to reduce our footprint on the environment. Initiatives within the business last year reduced CO2 consumption by 20%, reduced water consumption by 10% and achieved an overall recycling rate of 97%.

Unipart has been dedicated to reducing single use plastics and has worked with customers, suppliers, and partners to remove a total of 261 tonnes of single use plastics from its logistics operations since 2018. On one project in the Rail sector, we have removed 13km of single use plastic in a year from the packaging used for the transit of LED signals.

In addition, our electricity consumption decreased by 10% due to the installation of efficient LED lighting and gas consumption decreased by 9% in the same period due to better heating management systems in our distribution centres.

The Group has achieved a five-star rating from the British Safety Council for its commitment to Environmental Sustainability. The auditors cited the strength of Unipart's overall working culture saying that it has led to ongoing environmental and sustainability improvement programmes and that we have demonstrated best practice in many areas.

We are also continuing the drive to produce new technology to support the net zero carbon strategy.

Drawing on our joint venture business, Hyperbat, we are seeking to extend the knowledge we have gained through our automotive battery production facility to develop electrified vehicle solutions for the Rail market.

During 2020, an early opportunity presented itself, supported by Innovate UK, to develop a new battery powered Track Rail Transposer to meet the growing market requirement for zero emissions rail plant equipment. We look forward to using our market-leading facilities and experts to provide transformative products to serve this cutting-edge industry.

Minimising the impact on the environment of Unipart's worldwide operations is of fundamental importance to the Group and Unipart continues to particularly focus on optimising its energy usage in moving towards a net zero carbon position. The Group has adopted science-based targets to provide a clear path to reducing emissions in line with the goals of the Paris Agreement and a formal carbon foot-printing exercise has been undertaken that was verified to ISO14064 standards and assured independently.

Unipart's 2021 Goal

To achieve carbon neutrality by 2030 with the strategic intent of becoming carbon zero before 2050, to progressively identify and develop those technologies, capabilities and businesses, which will secure our aim and strategic intent, and enable us to generate new pools of sustainable profits

The Group's goal is to achieve carbon neutrality by 2030 and it has recently signed a charter with other like-minded businesses at the headquarters in Oxford to contribute to achieving net zero carbon for the city by 2040. Unipart will work together with partner organisations to explore opportunities to work on shared projects that deliver greater carbon emission reductions than the Group can achieve individually.

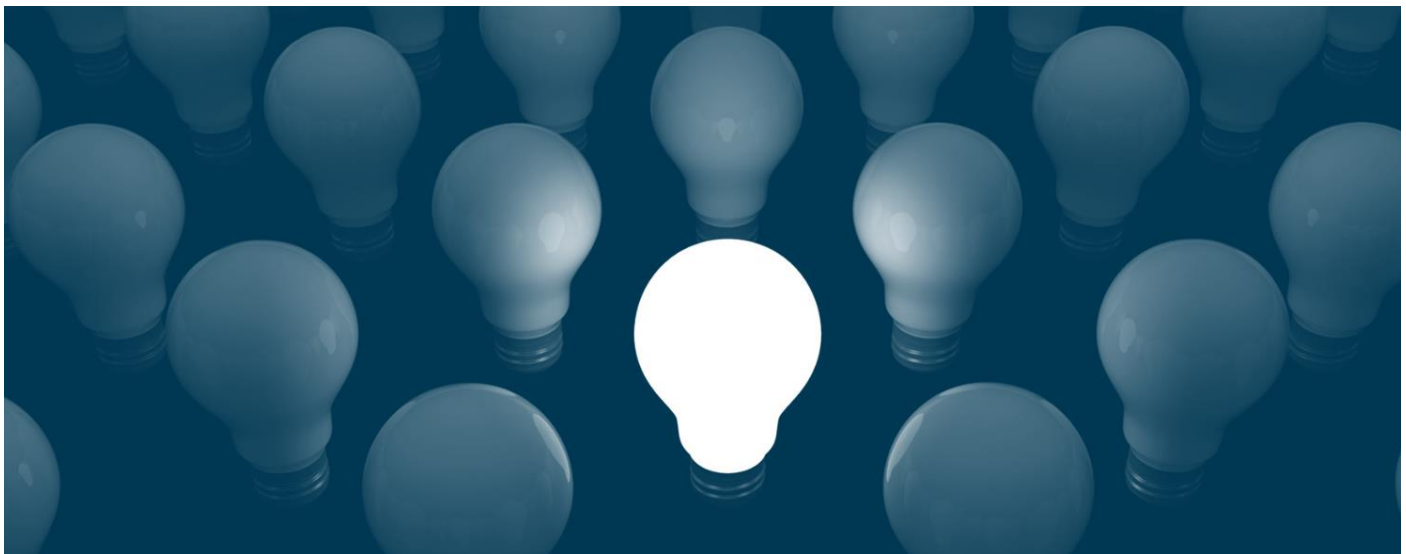
During the year, Unipart undertook a number of carbon reducing projects, including installing efficient LED lighting in the majority of buildings, roof skylights to allow natural lighting, charging points for electric and plug in vehicles at the majority of our sites and building energy management systems to improve the monitoring and reporting capability of energy usage. The Group's IT infrastructure has been enhanced to accommodate large volumes of video conferencing to enable colleagues to work from home and reducing the need for unnecessary travel.

Unipart will also announce its commitment to Race to Zero on November 3. The company has established a wide range of plans for carbon elimination that will take place over the next few years. These include changing the vehicle fleet to EV, changing electricity supply etc. But it was recognised that while the large scale policy changes were essential to achieving the company's targets, it was critical to change the thinking models at grass roots within the company.

Engaging colleagues

Unipart has a long history of engaging employees at every level of the company to solve problems, make improvements and introduce innovation. The company measures its employee engagement levels annually and consistently achieves amongst the highest scores in the country.

As a result, engaging employees in the drive for net zero was not only critical to the company's achievement but continues to be critical in raising awareness that will drive personal behavioural change both within the company and at home.



‘Green Friday’

To mark World Environment Day on 5 June Unipart offered all colleagues a chance to participate in protecting the planet using The Unipart Way.

We invited every site and every team across the Group to participate in an event on Friday 11 June, to come up with as many actionable ideas as possible for reducing carbon, eliminating waste, or making our operations more environmentally friendly.

Unipart had already introduced ‘Digital Friday’ events, which applied the company’s proprietary team problem solving approach to finding new ways of integrating digital technologies into day-to-day work.

The ‘Digital Friday’ events provided the format for identifying ways in which digital can make a positive difference in your part of the business – and the Digital Cube is a great tool to inspire ideas.

For World Environment Day, Unipart asked colleagues to turn that digital cube green and identify ways in which digital technologies can help to make ‘green’ improvements or changes in your operations. For instance:

- How can you reduce the use of energy (electricity or gas)?
- How can you reduce the use of resources like water?
- How can you reduce fuel used in travel or transport?
- How can you eliminate the use of plastic?
- How can you change a process to make it more ‘circular’?
- How can you improve biodiversity on your site?

Team leaders were asked to engage their teams in making time during the day to run a Digital Friday-style event to come up with as many ideas as possible. Ideas can then be submitted using the form on the Environment section of Unipart Way Online, the company’s knowledge management system.

Ideas from the teams were shared with site leaders and senior digital champions to choose the best and most appropriate that could be implemented immediately, or taken forward as Our Contribution Counts Circles for further development.

Teams were also encouraged to share their Green Friday event on Spark, the Unipart version of Facebook, and to tag posts ‘Environment’.

The communications team created a wide range of tools and resources to help teams participate in the event. These included the following:

Green Friday posters on PLANNING AND RUNNING THE EVENT plus a wide range of posters on eliminating plastic and other sustainability topics were circulated across sites.

Running a Digital Friday event guideline documents which included standard agendas for running a Digital Friday event that could be adapted for Green Friday.

A Guide to Using the Digital Cube: The Digital Cube provides useful prompts to challenge processes and suggest improvements and is available on Unipart Way Online and on the Digital Communication Cell.

Environment blogs on Unipart Way Online: For inspiration employees were encouraged to read stories of how Unipart teams have reduced their impact on the environment in the past (such as removing plastic from their operations). The blogs are available [here](#).

Environment section on Unipart Way Online: A website was created providing information about Unipart's 2030 carbon neutral commitment, and posters and other materials to generate awareness.

An automated form providing a simple, easy to use method for raising an idea on Unipart Way Online was provided to submit team's ideas.

Impact

Our "Green Friday" event, which engaged all employees, recorded over 600 ideas for reductions in carbon, water, paper etc leading to a more sustainable work environment. In addition, there has been widespread support from our leadership community. The survey responses from our last leadership conference record 100% of respondents understand the strategic importance of becoming carbon neutral, 100% of respondents understand their personal relevance to the issues of sustainability, 95% of respondents feel confident as a leader to make changes to become carbon neutral.

MOVING FORWARD

On Nov 3, Unipart will formally announce its commitment to Race to Zero through a phased internal and external announcement. Communications support for that announcement, as well as links with ongoing communications regarding the strategic intent to “Go Digital, Go Green, Go Faster”, will be vital in accelerating activity, increasing interest and changing mindsets within our employee communities.

Within the construct of Race to Zero, there is ‘meta-criteria’ for participation in the campaign which are known as the Four ‘P’s:

1. **Pledge:** Pledge at the head-of-organization level to reach (net) zero GHGs as soon as possible, and by mid-century at the latest, in line with global efforts to limit warming to 1.5C. Set an interim target to achieve in the next decade, which reflects maximum effort toward or beyond a fair share of the 50% global reduction in CO2 by 2030 identified in the IPCC Special Report on Global Warming of 1.5C
2. **Plan:** Within 12 months of joining, explain what actions will be taken toward achieving both interim and longer-term pledges, especially in the short- to medium-term.
3. **Proceed:** Take immediate action toward achieving (net) zero, consistent with delivering interim targets specified.
4. **Publish:** Commit to report publicly both progress against interim and long-term targets, as well as the actions being taken, at least annually. To the extent possible, report via platforms that feed into the UNFCCC Global Climate Action Portal.

One of the major developments for Unipart Group is the adaptation of its **Paradigm Insight** tool to monitor performance on individual sites. Designed by Instrumentel, a Unipart majority-owned company, Paradigm Insight is a web portal that uses sensors, a diagnostic hub, and live visualisation of asset performance to enable you to understand the performance of your critical assets. It also enables you to trace those assets and their constituent parts throughout their journey in the supply chain.

One of the recent developments is the new sustainability dashboard, which is going to monitor everything that we need understand our carbon footprint, and how we use energy in our business across the group. Paradigm Insight will collect usage data on electricity, water and carbon to provide alerts and reports to understand where improvements can be made, all enabling us to achieve our target towards net zero. It's like a smart metre on an industrial scale.

The reports and the insight will enable people to make better decisions about how we run our operation. Once it's proven and trusted within our organisation, it will become a valuable tool for other organisations to enhance their environmental controls and their green credentials.

Outcomes

The communications team has identified several strategic outcomes for its support of the Race to Zero campaign. These are as follows:

1. Internal and external stakeholders should be aware of Unipart's commitment to Race to Zero
2. Employees should feel proud of the company's commitment and recognise their role in supporting Race to Zero on a local and personal level.
3. Improvement initiatives will be strongly publicised internally leading to an greater momentum for Unipart's sustainability ideas and activities.
4. Unipart will demonstrate leadership in utilising metrics to record progress-against-plan on a site-by-site basis utilising proprietary digital products such as an adaptation of the Paradigm Insight product.
5. Unipart customers and suppliers will be supportive of Unipart's initiatives and regard this as further alignment with their own corporate goals.

To achieve those outcomes, the communications team has proposed several objectives to the Race to Zero steering group.

- 1. Raise awareness of Unipart's commitment to Race to Zero with internal and external audiences.**
 - a. Contextualise the announcement with Unipart's strong track record in sustainable improvements
 - b. Identify the "what does this mean to me" context for each audience
 - i. Content to be developed and published for internal audiences on Unipart Way Online and Unipart Intranet
 - c. Develop "Unipart Race to Zero" animated video for internal/external usage (including ASCI).
- 2. Provide a framework for regular reporting of activities and achievements internally**
 - a. Utilise internal channels such as Spark and online newsletters to provide weekly updates.
 - b. Utilise every edition of Grapevine to reinforce messaging and present 'news'.
 - c. Integrate messaging and news with communications to site forum meetings.
 - d. Construct internal image library with iconography and graphic images
 - e. Deliver bimonthly 'poster' and infographic support for sites
 - f. Identify calendar of monthly stories on "green2 information topics (eg: "What happened at COP26?" etc)
 - g. Create 'local heroes' branding for stories of individuals who have introduced site improvements
 - h. Raise awareness of potential for Mark In Action awards
- 3. Provide a framework for regular reporting of activities and achievements externally**
 - a. Construct regular news releases for owned websites and for publication externally on trade websites
 - b. Provide media opportunities for interview with the Chairman as an 'exclusive' update
 - c. Build Unipart 'green' presence with social media posts on LinkedIn, Twitter and Facebook

- d. Create specific campaign identifying strengths of Paradigm Insight product
- e. Build photo library
- f. Provide “green” update or story section on Unipart.com homepage
- g. Build information sharing / recognition opportunities with third parties such as Business in the Community or local environmental groups / local authorities.
- h. Curate environmental articles / stories on social media through re-posting.

COMMUNICATING GREEN

In defining a communication strategy, employees were identified as the primary audience. Communication techniques would be deployed to engage, inform and inspire employees. The short-term impact was immediate involvement in the programme. The longer-term impact is the influence on habits and behaviours to encourage employees to ‘think slowly’ as Daniel Kahneman put it, in terms of their personal and professional decisions regarding actions that have an impact on the environment.

In creating a set of communication activities and deliverables, we considered the following.

- a. Audience evaluation is a fundamental aspect of any communication planning and the first step in creative problem solving. We need to understand the current state in terms of our employee’s perceptions, engagement and current knowledge of the issues. This can be done through a survey or, even better, through focus groups. It will be useful to understand the “what’s in it for me” aspect before we formally craft communications.
- b. Clarity: Explain what we mean by sustainability. Sustainability is ambiguous; a clear definition of the term and a road map for achieving it are lacking. As a result, it can mean different things to different people. The lack of a clear-cut definition for sustainability may inhibit stakeholders from challenging existing understandings, adapting quickly, and exploring new innovative ideas and practices. The outcomes of a discussion on clarity will be to identify the core focus areas and the language/ vocabulary that we will choose to use.
- c. Context: As many examples of climate change relate to specific geographies or physical instances (deforestation, polar ice caps etc), it is difficult to identify the localised threat. As a result, the context for change is focused on “someplace else” rather than my local environment.
- d. Themes: A useful theme for communications is the “gain vs loss” framework [eg. Think about what we will gain if we do / think about what we will lose if we don’t]. Presenting a stronger emphasis on the gains (even for future generations) while acknowledging the threat provides an influential frame for messaging.
- e. Barriers to engagement [watchouts]
 - i. There are a number of factors that impact the relevance of climate change in many individual’s perception. These include the following:
 1. The long-time lag between cause and effect. In the context of continuous improvement, people are used to seeing the impact and benefit of problem solving in the immediate situation and timescale.
 2. There is an argument that true environmental sustainability is incompatible with the traditional economic paradigm. Economic growth is

based on growth in production, which consumes natural resources and generates waste, and growth in production requires continual consumption. For example, Al Gore's 2006 documentary, *An Inconvenient Truth*, helped shift the public perception of climate change and portrayed corporations as a key cause of climate change and environmental problems.

3. Language is a problem when we discuss sustainability. Terms like "Net Zero" or sustainability are widely interpreted to have different meanings. The ambiguity weakens communication. If the current terms used in external communications do not resonate in Unipart, we need to find familiar, specific words that address sustainability-related concerns. [For instance, David Attenborough chose to provide a significant glossary for his book *A Life on Our Planet*.]
4. Reputation: As sustainability initiatives become more common, companies will lose external legitimacy if they don't develop and publicise their own sustainability initiatives and achievements in ways that are authentic, easily understood and remembered (avoiding greenwashing).

The communications team also identified a set of tools that could be utilised to enhance the impact and persuasiveness of deliverables. These include the following:

1. Generic arguments: There are a number of generic, logical arguments that can be used as frameworks in communication. For example: Going green makes practical sense because it makes a for-profit organization more competitive and enhances its bottom line.
2. Metaphor: Finding effective metaphors that help to create links in the minds of audience members can be powerful in influencing behaviours.
3. Stories: Storytelling is widely recognised as one of the most impactful forms of 'nudge' communication. Unipart already has a number of platforms that can provide channels for relating stories across different media [print, video, blog posts].
4. Images and iconography: It will be important to assemble a number of generic, royalty-free images that can be used as illustrations which will complement current and future Unipart images.

CONCLUSION

It is too soon to draw specific conclusions in terms of the effectiveness and impact of Unipart's "Going Green" activities. However, early indications suggest that the primary audience – Unipart employees – have been engaged and inspired to take actions and make improvements within the areas in which they work. The 600+ ideas from Green Friday provide a fertile ground for further improvement and for knowledge and good practice sharing across the organization.

The Group's major decisions regarding future investments in EV, digital product development and sourcing of electricity will continue to reinforce the 'company's' commitment in the minds of key stakeholders and provide opportunities to measurement and improvement in line with the Race to Zero 4Ps framework.

Ultimately, it will require a continued focus and the application of creative skills and techniques to maintain momentum in a programme which has started strongly and is clearly on the personal agenda of many of our colleagues, customers and community stakeholders.