

Impact report 2023



IRACE TO ZERO



















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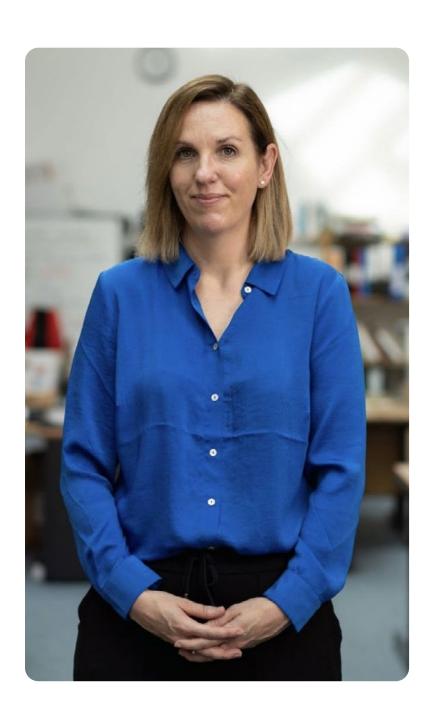
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O1 Our purpose

Dulas's purpose, right from its inception in 1982, has always been to make a positive impact for people and planet.



Our purpose: A sustainable future for everyone

Welcome to our first Impact Report.

Here we celebrate our achievements over
the past year, including progress on carbon
emissions reduction, wellbeing initiatives,
and giving back to our communities.

For over 40 years, we have applied our expertise to developing the world's first mass-produced solar powered vaccine refrigerators, operating lamps, and blood banks, providing enhanced medical care to the developing world, through use of renewable energy.

In 1988, while continuing to expand our range of wind, hydro and solar energy systems and solutions, we became an independent, employee-owned company. As an employee-owned and governed organisation, we believe a sustainable

future is the responsibility of every one of us. This is why our members have voted to commit to achieving Net Zero in our operations before 2050.

At Dulas, the way we operate every day is underpinned by our values and our desire to deliver a positive impact on the people and planet around us. We are firmly committed to operating in a way that ensures a sustainable future for everyone.

Ruth ChapmanManaging Director

People

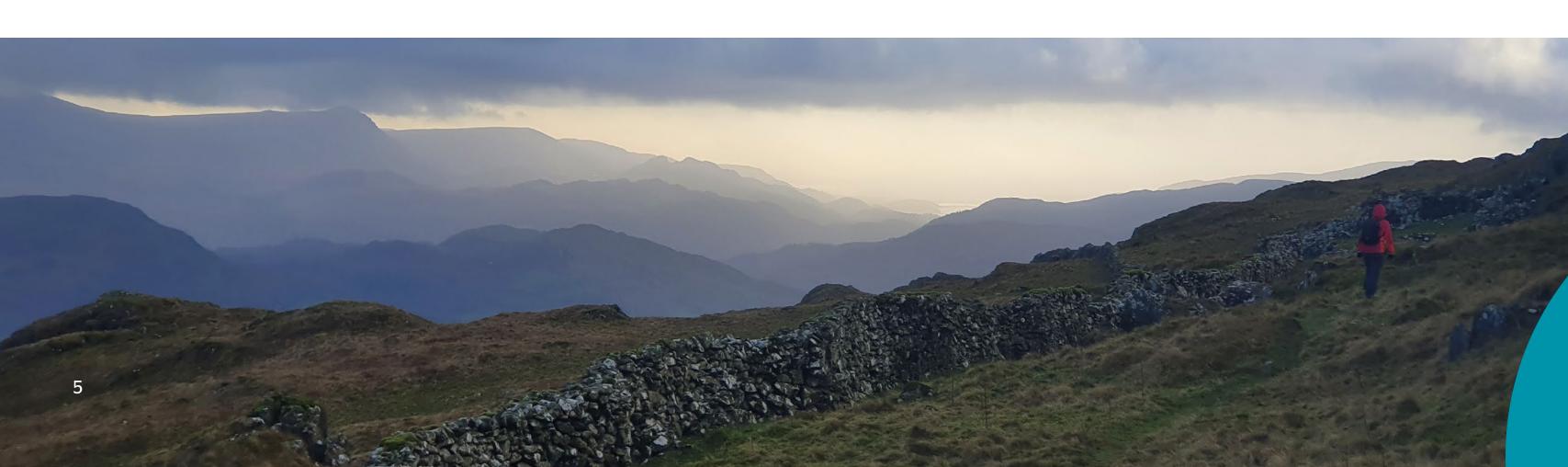
We do things differently from many.
As a cooperative, we offer equal opportunity to every member, but it goes further than that. We put the wellbeing of all over the personal gain of a few.

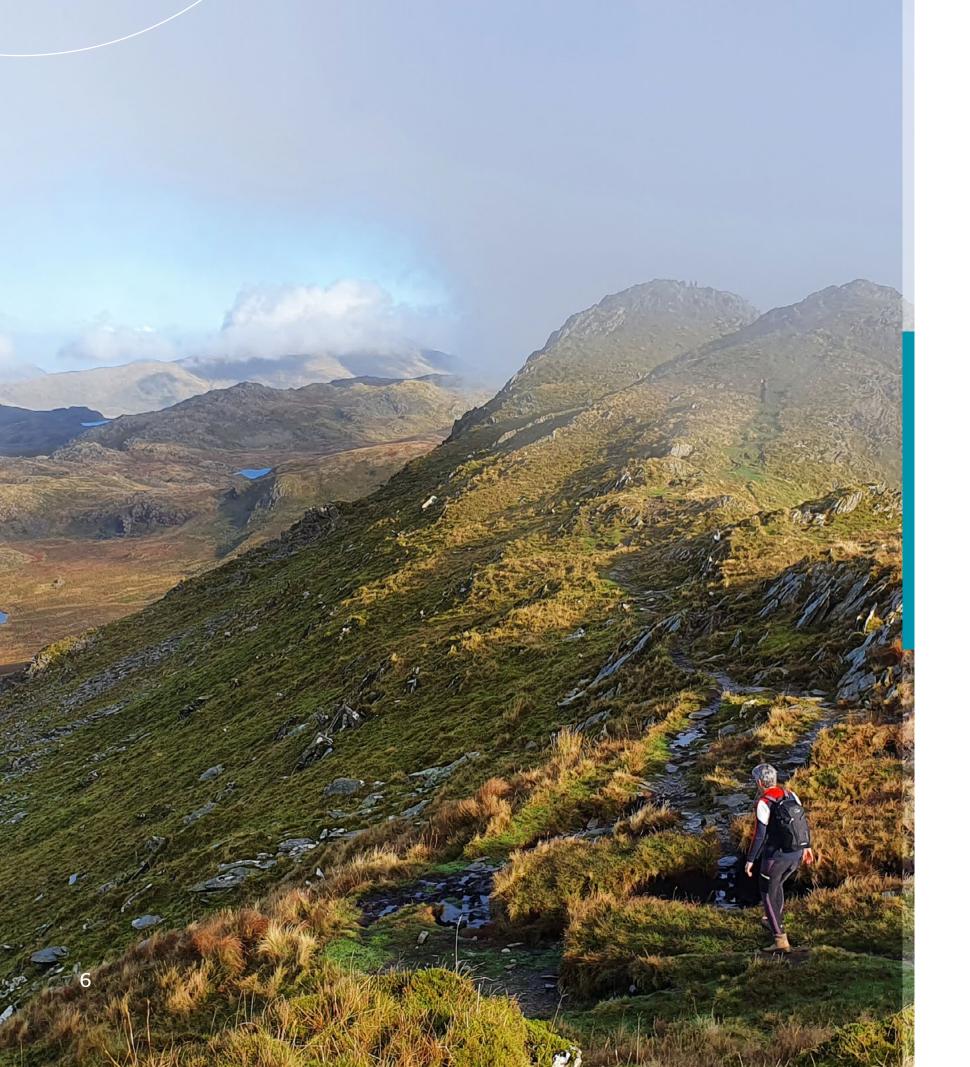
Purpose

Ever since our founders set out on their pioneering journey 40 years ago, Dulas has been driven by a deep sense of purpose. And that makes for a better outcome to every project that we deliver, because purpose powers perfectionism.

Planet

We focus on delivering renewable energy projects that generate clean power solutions and offset carbon emissions. We are renewable energy engineers at heart and have the technical expertise to make enduring outcomes possible.





02

Environmental impact

We are always striving to limit our environmental footprint and have a positive impact through what we do. We have committed to the UN Race to Zero campaign. Reaching net zero will not be easy, but we have the end goal firmly in sight.

Our journey to Net Zero

Our commitments

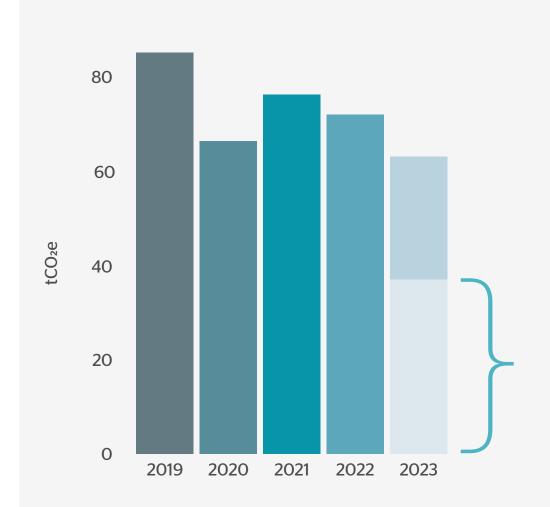
In 2022, Dulas joined the <u>UN Race to Zero campaign</u> and committed to take immediate action to reduce carbon emissions.

We have committed to:

- Halve our greenhouse gas emissions before 2030
- Achieve net zero before 2050
- Disclose our progress on a yearly basis

Our <u>Net Zero Action Plan</u> sets the course for change and carbon reduction within our own organisation and across our supply chain.

We have published our plan to encourage action from others and will publicly report on our progress every year.



Dulas carbon emissions 2019-2023

Against our 2019 baseline carbon emissions, we have already made some progress. Overall, Dulas's emissions are on a downward trend.

Our calculations are aligned with the GHG Protocol, and include Scope 1 and Scope 2 plus grey fleet emissions (use of employee owned vehicles on business).

60% of total emissions



Our vehicles emit the most

Emissions from Dulas owned vehicles have not reduced much in 2023 - and are in fact 6.4% above the 2019 baseline year.

Focus on transport and travel

Target: Zero emissions fleet by 2030

Tackling transport emissions – and in particular emissions from vehicles – is not going to be easy. We rely heavily on diesel 4x4s for accessing rugged remote terrain. There is currently no electric 4x4 on the market that would be suitable.

But new models are in the pipeline and will hit the market within the next couple of years. This gives us confidence that we will be able to meet our commitment to fully convert our fleet to zero emissions by 2030. We will confirm our vehicle replacement roadmap in 2024.

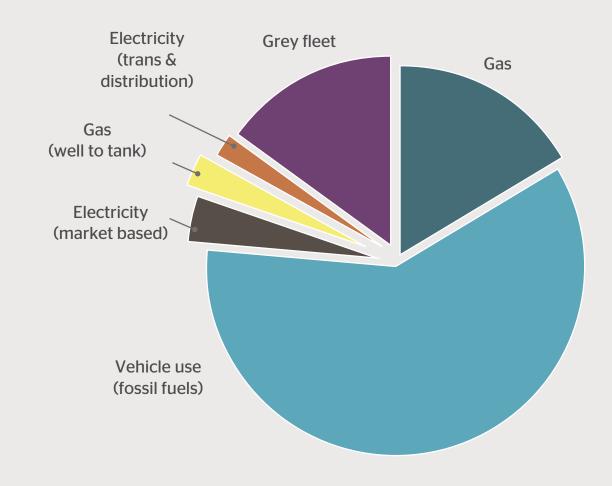
In the meantime, we are focusing on reducing the amount we travel; and if we do need to, then rethinking the way we do it.

CV72 MKX

This year we bought our first company EV. It proved its worth in 2023 by covering 8000 miles and saving us 2 tCO₂e.

Dulas carbon emissions by category 2023

Scope 1 and Scope 2 plus grey fleet emissions (use of employee owned vehicles on business).
Our calculations are aligned with the GHG Protocol.



Re-thinking travel

Making better travel choices

While we are waiting for the opportunity to convert our entire vehicle fleet to non fossil fuel driven vehicles, we are doing what we can to reduce our emissions from other modes of transport.

This year, our international team decided to cut their emissions by swapping the plane for the train when attending conferences in Europe.





UK to Geneva and back

By taking the train, we saved 160 kg CO₂ per person (92%).



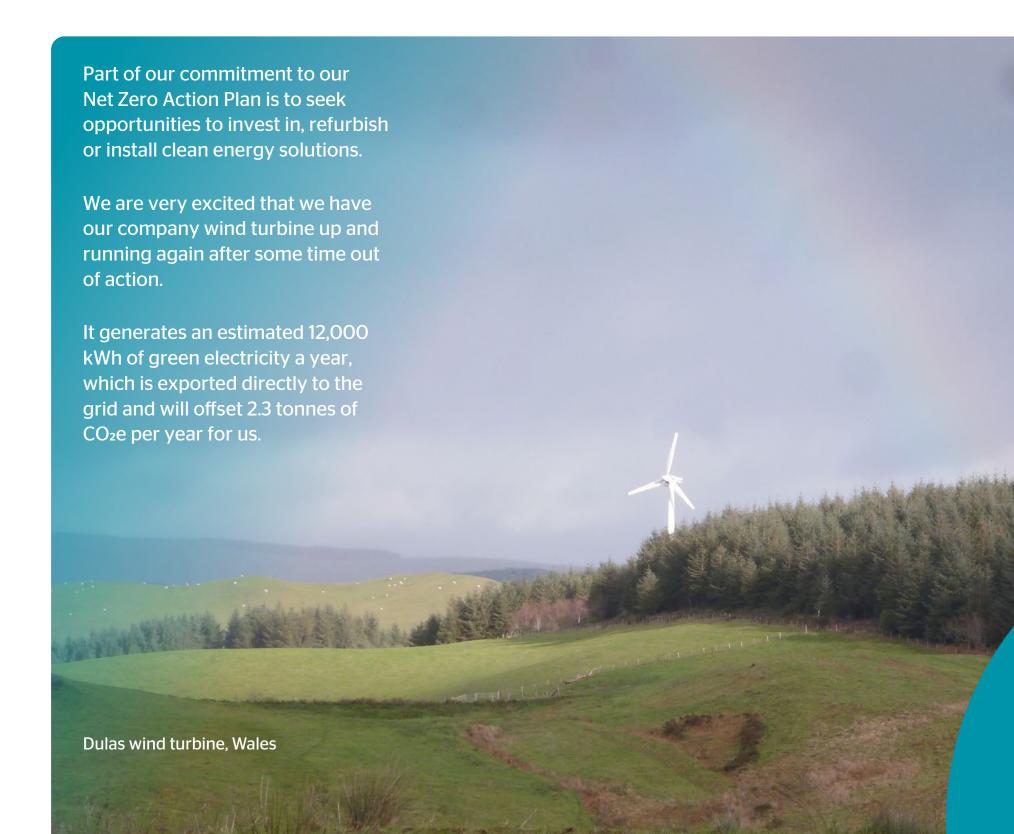
174 kg CO₂ per person



Reducing our emissions

In 2023, we turned ambition into action by:

- Appointing a dedicated Sustainability Project Manager to oversee the delivery of the Net Zero Action Plan
- Ensuring the company is using green electricity tariffs for our premises
- Reducing the company diesel vehicles fleet and replacing it with an electric pool car
- Committing to fully convert our entire vehicle fleet to zero emissions vehicles by 2030
- Launching a travel carbon calculator to help staff make greener travel choices
- Bringing our company wind turbine back into operation for green energy generation
- Implementing a programme of carbon awareness and skills training for staff





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Social impact

The wellbeing of people, as well as the environment, is the paramount focus of our work.

Our focus on people

Supporting our staff and communities

Our business is conducted ethically as an employee-owned cooperative, with mutual care for one another, and a deep respect for all those we work with.



Equal pay for equal work

We are committed to fostering a workplace where all employees, regardless of gender, are compensated fairly and equitably. We continually review and benchmark our salary structures to maintain this standard. We understand that achieving gender pay equity is not just a matter of policy but a reflection of our core values. By upholding this commitment, we aim to create an empowering environment where all our employees can thrive and succeed. We are proud that our gender pay gap currently is 0%.



Donating a proportion of profit to charity

We allocate a proportion of our profit to charitable causes annually. Our Charity Group, which is made up of a minimum of three staff members, ensure that these funds are distributed to international and national charities, and to charitable causes in our local communities. All staff members are invited to suggest and vote for the charitable causes we should support each year. This year, we gave £11,255 to charity.



Cycle to work scheme

Dulas has signed up to the cycle to work scheme, and so far, eleven members of staff have joined the scheme. This year, we organised a cycle to work day, with one of our cyclists benefitting from a local restaurant voucher. We also trialled an electric cargo bike from Sustrans, for trips into town from our office in Machynlleth. We will keep working on ways to motivate staff to choose alternatives to the car.





Promoting volunteering

A large number of our staff members volunteer with the RNLI and the local mountain rescue team, and for a number of years, we have offered staff flexible work hours to allow for emergency response. In 2022 we started trialling a paid volunteer day for staff, and in 2023 we made the volunteer day a permanent benefit to our employees. In total, Dulas staff spent a combined 55 hours of the paid volunteer day time on volunteering in our local communities.

We have a degree apprentice

We are delighted to welcome a new apprentice to the team. Our apprentice is enrolled on a three-year degree in Low Carbon Energy, Efficiency and Sustainability, run by Wrexham University. They will be able to earn a BEng (Hons) whilst gaining hands-on experience of working within a renewable energy company. The scheme will also enable them to gain a degree without debt, as there are no fees for those studying as part of the Degree Apprentice programme – the tuition fees are funded by the Welsh Government and the salary is paid by Dulas. For more info, see <u>Careers Wales' website</u>.



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Our SDG progress

We've committed to operate in line with the ten principles of the UN Global Compact in respect of human rights, labour, environment and anti-corruption, and have integrated the Sustainable Development Goals into the core functions of our business.

We submit a 'Communication on Progress' to the UN every year which underlines our commitment to advancing the UN Sustainable Development Goals and highlights our progress in contributing towards them.

Human rights

Principle 1

Businesses should support and respect the protection of internationally proclaimed human rights; and

Principle 2

Make sure that they are not complicit in human rights abuses.

Goals

Human rights have always been at the heart of our business, and as a cooperative are enshrined in our Articles of Association. As a collective we have all agreed on five values that are integral to the way we work:

- i) Integrity
- ii) Ethical
- iii) Innovative
- iv) Collaborative
- v) Excellence

We passionately believe in people and in making a difference for our planet and its future, through our sustainable, renewable and humanitarian business endeavours.

Implementation

rights of men and women'.

For our international business, suppliers and in country partners are required to sign up to the UN Supplier Code of Conduct which enshrines the values of the UN Global Charter - 'respect for fundamental human rights, social justice and human dignity and respect for the equal

We rigorously implement our modern slavery and human trafficking policies as we are operating through agents and subcontractors globally. All our suppliers are screened to ensure commitment to modern slavery legislation.

Dulas' commitment to promoting equality and fairness, whilst recognising and celebrating the diversity that exists among our employees, has been strengthened with our new Neurodiversity policy. We will ensure that everyone works within a genuinely supportive and inclusive environment, and work to eliminate barriers that neurodivergent employees can face in the workplace.

We have a 50/50 gender split on our Board and in senior management.

Priorities for action

We have committed to review our supplier assessment and due diligence procedures to strengthen our understanding of risks in our supply chains. The implementation of these new assessment procedures will help us respond effectively to any emerging issues.

<u>O2</u> Environmental impact

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UN Global Compact

Labour

Principle 3

Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;

Principle 4

The elimination of all forms of forced and compulsory labour;

Principle 5

The effective abolition of child labour; and

Principle 6

The elimination of discrimination in respect of employment and occupation

Goals

Labour rights and responsible management are vital to our operations and values. We are employee owned, with equal shares for all, and no external shareholders.

This brings unique commitment, equality and loyalty throughout our business. Our culture of consultation and participation enables all employees to contribute to major business decisions.

Implementation

As a worker governed company, we all share our resource, knowledge, skills and experience. All members can attend Quarterly Business Meetings and have the right to vote on key business decisions. This includes approving the company's strategy and electing members of the Board.

All our team are gifted one paid day per year to volunteer for charities or within the community.

We are committed to investing in training and development of our teams. This year we welcomed our first degree apprentice in Low Carbon Energy, Efficiency and Sustainability. We also delivered our first 'Lunch and Learn' session - part of our commitment to train our staff on topics relating to reducing our company carbon emissions. The 'fuel-efficient driving' session was attended by over a quarter of staff who learnt driving techniques to reduce fuel use, saving money and carbon.

We responded to the ongoing cost of living crisis with one-off support payments on top of inflation pay rises. Our employee assistance programme, available 24hrs a day, provides staff with free and confidential support for a wide range of issues including financial worries.

Priorities for action

We are developing new guidelines on sustainable and ethical procurement which will include risk-based reviews of suppliers to strengthen verification of fair labour practices and ethical credentials.

We are working on further enhancing our family friendly work policies, including more flexibility around taking paternity leave and the right to request flexible working.

Environment

Principle 7

Businesses should support a precautionary approach to environmental challenges;

Principle 8

Undertake initiatives to promote greater environmental responsibility; and

Principle 9

Encourage the development and diffusion of environmentally friendly technologies

Goals

Our core business is the delivery of renewable energy solutions to help people and the planet; this means our values and activities have always embraced the three environmental principles of the UN Global Compact.

Dulas 'Memorandum of Association' enshrines this purpose of making a real contribution to improving people's lives and the protection of the environment.

Our business is driven by global targets for carbon reductions and the opportunity to deliver climate solutions and life-saving technologies to areas with poor electrification, through the provision of renewable energy technologies.

Implementation

Dulas operates to the ISO 14001 Environmental Management accreditation, considered pivotal to our commitment to action on climate change and reducing the environmental impact of our activities.

Each year the company sets three performance objectives to guide employees on our overall strategic priorities. This ensures that everyone is engaged in working towards our organisational goals. For 2023, one of the three objectives was 'Contribution to the company's Net Zero ambition'.

In 2023, we expanded our Research and Development team to enable us to continue developing innovative

renewable energy solutions. We have increased the size of our workshop at our Machynlleth HQ by 50% and welcomed two new engineers into the team to help us achieve our ambitious plans. This includes sourcing solutions for areas which are off-grid or gridconstraint - building on our proven track record of developing bespoke remote power and energy storage back-up solutions, including for remote railway crossings and wind monitoring locations. Another new product we are currently testing at our Machynlleth HQ is a solarpowered electric vehicle charger for grid-constrained areas.

Environment

Continued

Priorities for action

We have been reviewing our company-wide working practices, policies and procedures, to ensure all employees make decisions which consider and reduce carbon emissions in the delivery of our operations.

With our focus on reducing carbon emissions from travel and transport, we have recently turned our attention to staff commuting. We have just launched an annual staff commuting survey - this will help us calculate the carbon

impact of the journey to work for our Scope 3 emissions inventory and more importantly allow us to develop company policies to support our staff in choosing lower carbon options for the commute.

For 2024, one of the company performance objectives is again focused on actively engaging staff with our progress towards Net Zero. Staff will need to demonstrate how they are contributing towards our carbon reduction target for the year as set out in our Net Zero Action Plan.



Anti-corruption

Principle 10

Businesses should work against corruption in all its forms, including extortion and bribery

Goals

Dulas supports the UN convention against corruption. Dulas' Business Vision document states: 'We are a highly ethical business, and we specifically exclude trade with arms or arms related products.'

Implementation

One of our five company values is 'Integrity'. This supports the anti-corruption principle by affirming that: 'We value mutual honesty & truthfulness and behave with dignity, openness and consistency. Our trust and respect for each other is integral to our business.'

Dulas refers to and complies with the UK Bribery Act. The senior management team and directors have been briefed and obligated to maintain the register of hospitality given and received. The Hospitality register is regularly reviewed by our Audit Committee. Awareness of this issue is now covered in our staff induction process.

With our updated Whistleblowing policy, we support our staff in calling out suspected wrongdoing or malpractice, in the knowledge that their concerns will be taken seriously and investigated, and that their confidentiality will be respected.

Priorities for action

Our senior management team will continue to monitor business interactions to ensure that ethical business practices are maintained. We have been specifically reviewing our procurement processes and are launching new supplier assessment and due diligence procedures

which will enhance scrutiny of suppliers' social responsibility and environmental performance.

