

Corporate Social Responsibility Committee Report

Helen Jones

Chair of the CSR Committee



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Chair's Letter

In the last year we have delivered on our Corporate Social Responsibility ("CSR") initiatives.

We have four CSR pillars which we focus on:

- Colleagues;
- Community;
- Environmental Management; and
- Responsible Trading.

We constantly look to ensure that our Corporate Social Responsibility Strategy is aligned to our Company goals and values. With a new Company Strategy (launched at the Capital Markets Day last year), we have invested appropriate resource in developing a new CSR Strategy, to be launched in the second half of next year to ensure this alignment continues.

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Chair of the CSR Committee



2

CSR Committee meetings held

Committee Composition and Meetings

The Committee consisted of:

Helen Jones (Chair)
Graham Stapleton
Clare Moore (appointed 1 November 2018)
Andy Randall
Jonathan Crookall (resigned 1 November 2018)
Ian Carter (resigned 12 February 2019)

There were two Committee meetings held during the year and after each one, I reported to the Board on the key issues that we covered. I held informal discussions between Committee members and business leaders throughout the year as the need arose and have worked closely with these leaders and our appointed agency to support the development of the new CSR Strategy.

Activities undertaken

During the year the Committee:

- ensured short and long-term objectives for the Company's CSR activities are in place;
- ensured key metrics are reported on;
- ensured all related policies are regularly reviewed and updated;
- carried out our annual review of the CSR policy as part of our Strategy work;
- carried out our annual review of the Committee's Terms of Reference; and
- reviewed proposed changes in forthcoming CSR-related regulations and governance.

2018/19 Key Achievements

- Signing of the Armed Forces Covenant
- Roll out of our support of Bikeability (the successor to the Cycling Proficiency Scheme), in partnership with the DfT
- Continued fund-raising with NSPCC
- Development of a new CSR Strategy

Areas of Focus 2019/20

- Reviewing our base position across our key strategic pillars
- Defining our objectives and approach
- Resetting our ambition and targets for 2019 and beyond
- Evolving our CSR committee to include internal sustainability advocates

Further information on corporate social responsibility in the Group, including environmental details on emissions, can be found on pages 32 to 42 of the Strategic Report.

Future CSR Strategy

We are currently undergoing a full review of our CSR activity in order to reset our direction of travel and ambitions for 2019 and beyond. After spending time understanding our base performance we'll develop, relaunch and commit to a new CSR Strategy in order to adapt to be sustainable for the long-term.

In addition to refining our base plan, we have been working hard to develop a 'north star' to help guide our future thinking and sustainability objectives. This 'north star' will act as a platform and framework to help shape all future activity to ensure we have focus in creating shared value for the business, society and the environment.

Helen Jones

Chair of the CSR Committee
21 May 2019



The Terms of Reference for the Committees are available at www.halfordscompany.com/governance