

Responsible Business Policy

1.0 Purpose

A principled approach to doing business has been part of our culture for many years, and in a rapidly evolving global workplace we are seeing an increase in the number of issues that need to be addressed, including recent regulation such as the Modern Slavery Act 2015 and in broader societal initiatives such as the UN Sustainable Development Goals.

We have reviewed our strategy on social, ethical and environmental issues and decided to combine our sustainability initiatives under a single banner – responsible business. It recognises the interconnected nature of many issues and supports our aim of full integration within our day-to-day business. This is not a one-off project but an ongoing process of continual performance improvement, embedded in the way we operate. We don't claim to be perfect and we want to improve, building stronger relationships with our suppliers and customers, further recognising that collaborating can lead to innovations that add positive social, environmental and economic benefits.

2.0 Scope

This policy applies directly to the conduct of all individuals within our operation, including senior managers, officers, directors, employees (whether permanent, fixed-term or temporary, trainees and agency staff. It also covers the actions of all other persons associated with us, whether that be subsidiaries, agents, suppliers or consultants employed worldwide.

3.0 Definitions

Responsible Business is the term to describe the way in which a business conducts its operation in a transparent, ethical and environmentally responsible manner. Our customers and other stakeholders need to be confident that everyone involved in the value chain is honest and operates to high environmental and social standards, including maintaining appropriate systems and records.

The Modern Slavery Act (2015) is the UK law that defines a company's obligation to ensure that Modern Slavery, in any form, is not present within either its own operation or wider supply chain.

4.0 Principles

The fundamental issues covered by our Responsible Business Policy are those described in the UN Global Compact, which means operating in ways that address responsibilities in the areas of human rights, labour, environment and anti-corruption. By building the Global Compact principles (summarised below) into our strategies, policies and procedures, we believe we are not only upholding our basic responsibilities to people and planet, but also building a more successful business.

- (a) *Human Rights*: Businesses should support internationally agreed standards on human rights; and make sure that they are not complicit in human rights abuses.
- (b) *Labour*: Businesses should uphold freedom of association and the right to collective bargaining; the eliminate modern slavery in all its forms including forced and compulsory labour and end discrimination.

(c) *Environment:* Businesses should undertake initiatives to promote greater environmental responsibility and encourage the development and diffusion of environmentally friendly technologies.

(d) *Anti-Corruption:* Businesses should work against corruption in all its forms, including extortion and bribery.

This policy is designed to help the company go beyond compliance with legal requirements to align with guidelines such as the ETI and ILO. In order to achieve this we draw heavily on guidance provided by ISO standards including ISO14001, ISO18001 and ISO 20400. A summary of relevant standards and guidance is provided in an appendix to this policy.

5.0 Responsibilities

5.1 Responsible to our employees

All our employees will be treated with dignity and respect at all times, and we will maintain a safe and healthy workplace in which the benefits of equal opportunity and a diverse workforce are promoted.

We will make sure our people have the skills and support they need to fulfil their responsibilities under this Policy.

Our Code of Conduct for Employees clearly explains both the behaviours expected of our employees and how they will be supported by the business, including guidance on dealing with difficult ethical issues and raising grievances. We have zero tolerance for the offer or acceptance of bribes, fraud and other corrupt practices and provide guidance on proper behaviour (eg on gifts and hospitality) during business transactions.

5.2 Responsible to our customers

We strive to provide a high quality service for our customers that meets their requirements, promoting our company fairly and honestly. We respect the privacy of any client data we handle.

We also support customers in delivering sustainability improvements including measures to eliminate human slavery from supply chains and reducing social and environmental impacts.

5.3 Responsible to our business partners

We recognise that our suppliers are integral to us delivering our vision of being a trusted partner for our customers. We will treat suppliers in a fair and reasonable manner and work with them to establish and then reduce environmental and social impact. Our employees must observe the highest standards of integrity in dealing with suppliers with zero tolerance for bribes and corrupt practices. In return we expect suppliers to comply with our Supplier Code of Conduct to ensure that responsible business is fully integrated along our supply chain. Sustainability performance will be a factor in our supplier selection process and will also feature in ongoing contract management.

We want to work with our suppliers to help reduce environmental and social impacts, consistent with guidance such as ISO20400. Transparency along the supply chain is also important and we regard the sharing of information from self-assessment and third party audit (such as Sedex) as an important element in these efforts.

We will regard termination of a business relationship as a last resort but it must remain an option where suppliers fail to act in accordance with our code of conduct and/or do not take adequate improvement action where necessary.

5.4 Responsible to the environment

We will identify and act on our environmental impacts drawing on the ISO14001 standard. We aim to improve our waste management, as well as reducing our own carbon and water footprints and other material environmental impacts such as packaging. Adopting a lifecycle approach and working with suppliers and customers will help us deal with environmental impacts where they occur. Improving employee awareness and engagement campaigns will develop understanding of environmental issues and the employees' role in minimising these impacts.

5.5 Responsible to our community

Our commitment to responsible business includes our communities in which we live and work. We seek to offer valuable employment opportunities and to ensure our workforce reflects the diversity of the local population.

We will support wider community activity by promoting initiatives and encouraging employee participation that deliver positive social impacts. We recognise and welcome our role as a responsible local business and will promote greater links with our community through volunteering, support for fundraising and awareness campaigns, where appropriate.

6.0 Support and Communication

You must ensure that you read and understand the aims of this policy. If you wish to discuss any area in further detail, please contact your line manager. Further information on the Principles, Bodies and Standards which underpin this policy can also be found in the appendix.

Appendix – Responsible Business Guidance and Standards

The 17 **UN Sustainable Development Goals (SDGs)** address global issues such as climate change, economic inequality, innovation, sustainable consumption, peace and justice and are a call to end poverty, protect the planet and improve life for future generations.

Sedex is a global not-for-profit membership organisation with the world's largest collaborative platform for sharing responsible sourcing data on supply chains. Underpinning the platform is the Sedex Members Ethical Trade Audit (SMETA) a widely used ethical audit formats with an estimated 280,000 SMETAs having been conducted. It is a compilation of good practice in ethical audit technique which allows suppliers to have one audit conducted which can then be shared with multiple customers. SMETA methodology uses the ETI code and local law as the measurement tool and includes four modules: Health and safety, Labour standards and the optional Environment and Business ethics.

The **Business Social Compliance Initiative (BSCI)** is a supply chain management system that supports companies to drive social compliance and improvements in their global supply chains. BSCI implements international labour standards protecting workers' rights such as International Labour Organization (ILO) conventions and declarations. BSCI offers a common Code of Conduct and a single implementation System that enable all companies sourcing all types of products from all geographies to collectively address complex labour issues.

The **UN Global Compact** is said to be the world's largest corporate sustainability initiative with over 12000 signatories in 170 countries. It represents a call to companies to align strategies and operations with universal principles on human rights, labour, environment and anti-corruption, and take actions that advance societal goals. Companies are encouraged to do business responsibly by aligning their strategies and operations with ten Principles on human rights, labour, environment and anti-corruption.

The **Ethical Trading Initiative (ETI)** is an alliance of companies, trade unions and NGOs that promotes respect for workers' rights globally. The ETI Base Code is an internationally recognised code of labour practice based on the conventions of the International Labour Organisation (ILO).

The **UK Bribery Act 2010** makes it a criminal offence for UK companies anywhere in the world to give or receive a bribe. Companies are liable to prosecution if they fail to prevent bribery on their behalf by employees and other associated persons.

The **Modern Slavery Act 2015** is designed to tackle slavery in the UK and from 2015 requires businesses to publish an annual statement (if they have an annual turnover above £36 million). The statement must confirm the steps taken to ensure that slavery and human trafficking are not taking place in the business (or in the supply chain).

ISO 9001:2015 sets out the criteria for a quality management system based on principles including a strong customer focus, motivation of top management, a process approach and continual improvement. There are over one million organisations in over 170 countries certified to the standard.

ISO 14001:2015 is effectively a global standard for environmental management, with more than 300,000 certifications in 171 countries, maps out a framework that a company can follow to set up an effective environmental management system. It provides assurance to company management and employees as well as external stakeholders that environmental impacts are being measured and improvements achieved.



ISO 20400:2017 provides guidance to organisations, independent of their activity or size, on integrating sustainability within procurement, drawing on the approach described in ISO 26000: 2010 Guidance on Social Responsibility. It is intended for stakeholders involved in, or impacted by, procurement decisions and processes.

BS OHSAS 18001 is an internationally applied British Standard for occupational health and safety management systems. It is likely to be superseded by a new ISO standard named ISO 45001 (Occupational health and safety management systems - Requirements) expected in 2018 that will provide a framework to improve employee safety, reduce workplace risks and create better, safer working condition.

ISO 45001 is intended to replace BS OHSAS 18001. It is anticipated that organisations currently certified to BS OHSAS 18001 will need to migrate to ISO 45001.