

Corporate Social Responsibility **Update 2017**



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1 **Community** **Involvement & Development**

We believe that the essential characteristics for successfully embedding Corporate Social Responsibility (CSR) into all of our activities is the willingness to incorporate social and environmental considerations into our decision making process and being willing to be accountable for the impact of those decisions and activities on the environment and society as a whole. We believe that behaving ethically is fundamental to establishing and sustaining legitimate and productive relationships with our partners and we understand the importance of CSR to the development and growth of our business.

We have adopted the principles of ISO 26000:2010 Guidance on Social Responsibility which provides us with a framework on how to show that we operate in a socially responsible way. This means acting in an ethical and transparent way that contributes to the health and welfare of society. The standard serves to clarify what social responsibility is, helps us to translate principles into effective actions and share best practice in social responsibility.

We recognise that we play a pivotal role in contributing towards growth and sustainability and we aim to conduct business in an ethical manner and seek to improve the regions and communities in which we work. This may involve the creation of employment and training opportunities, working with local enterprises and community groups, or making the area more aesthetically pleasing.

Some of the community involvement projects we were involved in include:

Delivering Christmas packages to families in need

Christmas 2016, we delivered £15,000 worth of Christmas food and toiletries to families in need in Merseyside, working alongside our Sovini Group partners One Vision Housing (OVH) and Sefton4Good. The packages consisted of Christmas food, toiletries, toys and more. We also donated 16 hampers full of baby products and toiletries – including baby milk – to Bootle Health Centre.



Sovini Golf Day raises valuable funds for homeless project

Proceeds from The Sovini Group's annual golf day are helping Liverpool's homeless into employment. The golf day raised £5,000 for Liverpool Homeless Football Club in September 2016, as part of our ongoing partnership with the charity. The money raised is being used to support The Back Kitchen – a catering pod, run and managed by Liverpool Homeless Football Club. The pod is being used as a training aid where people from vulnerable backgrounds can learn essential catering and customer service skills and gain qualifications to enable them to work in the catering industry. The donation has provided new equipment for the project and will help participants work towards their Level 1 and 2 Food Safety and Hygiene Certificates.



Investing in the future

We joined forces with St Francis De Sales Junior School in Walton to deliver a session to the school's 'Investors Group'. The Investor Programme was established to give pupils confidence, raise their awareness and self-belief, as well as equipping them with the skills needed for the next stage of their education and future careers. A group of 21 students were treated to a tour of the STS warehouse and played games about safety. The purpose of the visit was to give the children an insight into the various opportunities which are available throughout the Group.



Sovini Trade Supplies named best supplier in the country

We were crowned the best supplier in the country at the prestigious Builder & Engineer Awards ceremony. The judging panel, said: "Corporate social responsibility, local involvement with the community and the employment of ex-military personnel were all stand-out features of Sovini Trade Supplies' application and resulting in this well-deserved award. Congratulations."

We will continue to work with the Group's Customer Empowerment Team to support, sustain and strengthen the local communities, ensuring that all customers have opportunities to get involved. A schedule of Community Engagement projects will be prepared each year, the effectiveness and success of which will be reviewed annually.



2 Environmental Achievements

We have conducted Environmental Aspects and Impact studies to assess the impact that our activities have on the environment and as such have set ourselves a number of environmental targets which are monitored on an on-going basis.

We endorse the ethos of continual improvement and some of our environment successes include:



The Groups Carbon Footprint reduced by 41% in comparison with our base-year data, which saw a reduction from 9.34 CO tonnes per FTE in 2010/11 to 5.41 CO tonnes per FTE in 2016/17



Fuel consumption reduced by 3% per vehicle, per month, in comparison with our base year data from 2013/14 but increase in comparison with the previous year performance due primarily to our service offer, whereby we are providing an enhanced site delivery service to our clients



95% of all office waste was recycled during 2016/17, including 8 tonnes of cardboard/packaging and an additional 18 tonnes of timber was also recycled from our stores



We have installed a confidential waste cabinet at our head office, from which 100% of all paper waste will be recycled. Additionally we are currently monitoring our electricity and water usage with a view to developing additional Environmental Performance Indicators

3 Labour & Employment

We provide a safe and healthy working environment and for our employees and our management systems have been assessed and registered to ISO 14001 Environmental Management Systems and OHSAS 18001 Occupational Health and Safety Management Systems. This was also recognised by the awarding of the RoSPA Gold Award for Occupational Health and Safety. The award, from the Royal Society for the Prevention of Accidents, is the highest accolade that can be achieved in this field.

We have reviewed and developed our Equality and Diversity Policies throughout the Group.

The Sovini Group recruiting apprentices for 2017

We have employed a Warehouse Apprentice within the business. During the apprenticeship the applicant will gain both practical on-the-job-training to get real experience, and learning that develops their knowledge and understanding of the role and the business.



External Recognition:

Mindful Employer: STS sign up to the Mindful Employer initiative. The initiative is aimed at increasing awareness of mental health at work, providing ongoing support for staff who experience stress, anxiety, depression or other mental health issues in the workplace.



Investors in Diversity: As a group we have adopted the Investors in Diversity Model which provides an all-encompassing methodology for improving Equality, Diversity and Inclusion (EDI) practices in the workplace. This has enabled us to take a structured and planned approach to embedding EDI at the heart of what we do and as such we have successfully achieved registration to Investors in Diversity Stage 2.



FSC® and PEFC™ Chain of Custody

Registration: STS are certified to Forest Stewardship Council® (FSC) and Programme for the Endorsement of Forest Certification (PEFC) Chain of Custody. We require all timber suppliers to provide evidence of Chain of Custody for traceability of fibre back to the forest of origin. We exercise due diligence, using a risk-based approach to ensure that they do not place illegally harvested timber or timber products on the EU market. We have signed the Self Declaration of Commitment to FSC® & PEFC™ values (i.e. not to be complicit in illegal logging activities).



Disability Confident: Disability Confident is a scheme that is designed to help recruit and retain disabled people and people with health conditions.



ISO 9001:2015, ISO 14001:2015, ISO 27001:2013 and OHSAS 18001:2007: STS successfully retained registration to ISO 9001:2015 Quality Management Systems, ISO14001:2015 Environmental Management Systems, ISO 27001:2013 Information Security Management Systems & OHSAS 18001:2007 Occupational Health & Safety Management Systems.



Investors in People Health & Wellbeing

Award: STS have achieved the Investors in People Health & Wellbeing Award, which represents a true commitment to employee wellbeing and demonstrates a solid foundation of good practice which remains challenging and aspirational for many organisations. We believe that having a health and wellbeing programme in place supports a culture of happy and healthy employees, in turn providing improved productivity, attendance and motivation.



Investors in People (Gold): STS achieved the Investors in People (IIP) Accreditation which is the most successful framework for business improvement through people in the UK. We believe IIP Gold Status helps to improve our competitive edge, reputation and performance whilst attracting and retaining the best staff.



Great Places to Work: The Sovini Group was ranked in Europe's top ten best workplaces at a special ceremony in Paris in June 2017. Microsoft, Ferrari and 3M number among the previous winners of European Great Workplaces. In May 2017, The Sovini Group was named as one of the UK's best workplaces, placing ahead of companies such as McDonald's, Hilton Worldwide, Mars and MBNA. The award ranked The Sovini Group as the UK's best workplace outside London.



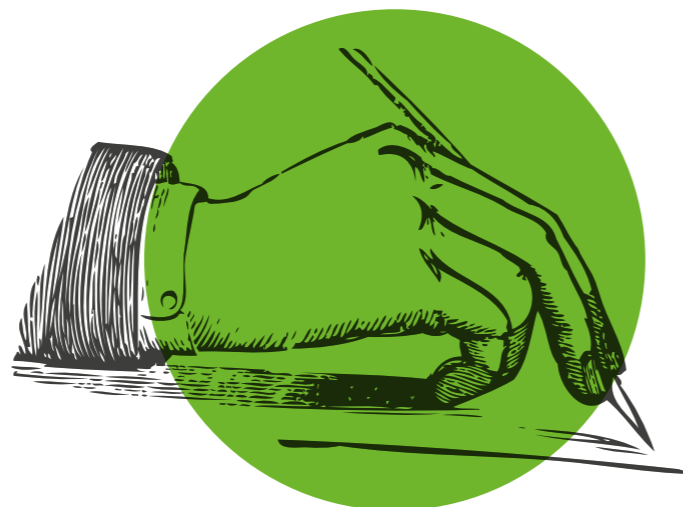
4 Consumer Issues

In order to ensure that fair, factual and unbiased information is readily available, we have compiled a suite of policies and leaflets which can be accessed either from our webpage, at any of our offices or upon request. All corporate information is free from stereotypes and prejudice in relation to age, gender, religious belief, race, disability or sexuality. An Equality Impact Assessment is also undertaken on all our policies to reduce any negative impact to any group or individual.

As a buyer of timber and forest-based products, we are committed to developing systems and procedures to ensure that we know the origins of our timber supplies. We have implemented an effective Chain of Custody Management System and we are an FSC and PEFC Certified supplier. We have also developed a Responsible Timber Procurement Policy - Promoting Sustainable Forest Management through Sustainable and Responsible Procurement. We can confirm that any timber which we supply will be compliant with the EU Timber Regulations.

Customer Feedback Cards

We are committed to providing the best service we can and with this in mind, we introduced an initiative to gain feedback from our customer by asking them to fill out a Feedback Card while they are in the store. The card takes just a few minutes to complete to tell us about their customers experience with us and all completed cards are then entered into a quarterly draw.



5 Organisational Governance

We will ensure that we continue to practice accountability and transparency at all levels of our organisation. We will undertake annual reviews of our Strategic Plans, CSR Action Plan and processes to ensure that effective arrangements are in place. We have developed and maintain a full suite of policies and procedures to ensure compliance with legal, regulatory requirements and best practice. We have a dedicated team who facilitate the Strategic Planning Process which considers both the internal and external operating environment

Organisational Governance is achieved through practicing accountability and transparency at all levels of our organization, using leadership to create an organisational culture which uses core values of social responsibility when making business decisions. Processes include: Governance and Probity; Gifts and Hospitality; Business Assurance Committee; Probity Issues.





WE BREW IT.

6 Fair Operating Practices

We have developed our own Governance and Probity procedures which are supported by our Anti-Fraud, Corruption & Money Laundering Policy and Gifts, Hospitality & Charitable Giving Policy, compliance with which is mandatory.

We are committed to promoting the highest standards of ethical business practice from our recruitment and employment activities, through to the behaviours and procedural arrangements we expect from our supply chain partners.

Our aim is for continuous improvement in this area and we will build on our existing strong emphasis on promoting employee welfare, stringent selection procedures and monitoring of our supply chain, through to our zero tolerance stance for any form of discrimination or Human Rights breaches.

We have amended our Approved Supplier Questionnaire to include an element in

relation to Corporate Social Responsibility. Suppliers will then be monitored to ensure they adhere to the terms of the contract relating to social responsibility. This could include: creating apprenticeships; creating permanent positions; education in school; work placements; assistance with the Community Fund; giving free of charge labour or supply goods and materials to certain schemes or community projects.

In Accordance with the Modern Slavery Act we have included a requirement for prospective suppliers to provide us with a copy of their Modern Day Slavery Annual Statement and the Group have also nominated a Modern Day Slavery Champion.

**“Act as if what you do
makes a difference.
It does.”**

— William James