

Communication on Progress 2007

Littlewoods
Shop Direct Group

The UK's biggest shop @ home group

Putting the customer 1st

the united nations global compact ten principles

The United Nations Global Compact (UNGC) is the World's largest voluntary corporate citizenship initiative. The UNGC issues Ten Principles on Human Rights, Labour Standards, the Environment and Corruption which are listed below. Membership of the UNGC requires companies to issue a 'Communication on Progress' report annually. The report you hold in your hands or are reading on screen is our first COP and outlines Littlewoods Shop Direct Group's activities in support of these Ten Principles.

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.

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.

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.

corruption

- principle 10: businesses should work against all forms of corruption, including extortion and bribery.

Throughout this report, you will find a marking scheme in each section. The purpose of this scheme is for us to rate how well we think we are performing in each reporting area by highlighting a tab ranging from legal compliance to best practice.

Where we have not marked ourselves as best practice or good we intend to raise standards accordingly.

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in support of the ten principles of the
united nations global compact

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Mark Newton-Jones

A handwritten signature in black ink, appearing to read 'Mark Newton-Jones', written in a cursive style.

Group Chief Executive

foreword and human rights commitment

principle 1- supporting and respecting the protection of internationally proclaimed human rights

legal compliance

achieving results

good

best practice

The United Nations Global Compact (UNGC) is a network of companies in more than 90 countries that support Ten Principles on human rights, labour, the environment and corruption. LWSDG wishes to reaffirm our commitment to the UNGC with the publishing of this, our first Communication on Progress (COP).

The production of a COP is rather like a diagnostic review. We now have a clear picture of the challenges that lie ahead which are many and varied. In considering these challenges we are also mindful of the ways in which companies may contribute to the Millennium Development Goals; eight objectives for development that all UN member states have pledged to achieve by 2015.

Membership of UNGC has been of exceptional benefit for us both as a catalyst and a framework for actions.

The UNGC asks member companies to report progress against each principle on an annual basis. In the following pages you will find the Ten Principles divided into sections of responsibility. Senior members of the LWSDG team explain how we address our responsibilities against each principle. Additionally, team members at every level in the organisation explain what it means to them to be involved in everyday operations.

We have also included an additional section at the rear of this report, which describes company actions related to the spirit of participation in the UNGC, though not directly linked to the Ten Principles.

We have not chosen to report on our corporate philanthropy activities (donations, volunteering, fundraising etc). Information on these exciting and important areas can be found on our website www.lwsdg.co.uk. In this report you will find only information on how we measure and address our impacts as a business on society, the environment and the communities within which we operate.

The report has been produced internally and uses the words of people who work in our organisation and deal with issues related to the Ten Principles on a daily basis. I have asked each individual to be open and honest and refrain from using management speak or industry jargon.



Michael Spenley



Head of Corporate
Social Responsibility

section 2 - labour principles

principle 2 - ensuring we are not complicit in human rights abuses

legal compliance

achieving results

good

best practice

principle 4 -
supporting the elimination
of all forms of forced and
compulsory labour

principle 5 -
supporting the effective
abolition of child labour

It's a privilege but also challenging to work in this area, great to be able to help people and be a guardian for our company values, but frustrating to see the extent of poverty in some of our source markets and tiring to see the slow pace of change.

In 2005 the Make Poverty History campaign highlighted the issue of poverty and trade to millions of people in the UK, including LWSDG customers and of course our employees. We asked ourselves lots of questions about how we do business including how we source product.

The hard facts are as follows: we have around 750 suppliers of own brand clothing and hard goods in more than 45 countries. We serve our customers by ensuring that wherever we place orders, workers are treated well and factory conditions are safe, secure and dignified. In order to do this effectively we have developed a system of monitoring, partnerships and projects. Please allow me to present our main actions over the period 2005-06.

human rights

I have responsibility for ensuring that when sourcing product we are not complicit in human rights abuses. We do this by careful risk management of our supply chain and by a process of factory monitoring. During 2005-06 we maintained our policy of not sourcing in Burma due to widespread human rights abuses. We are listed on the UK Burma Campaign's Clean List. Moreover, we do not source from any country where there are UN trade sanctions or embargoes.

forced labour

We support the elimination of all forms of forced and compulsory labour. Our Code of Conduct which is signed by all suppliers states the following:

"We will not tolerate forced labour, bonded labour or labour which involves physical or mental abuse. This means that suppliers must not use or threaten workers with any physical punishment, verbal or sexual harassment, or dominate or restrain workers by force, authority or threats. Workers must not be required to lodge "deposits" or their identity papers with their employer, and they must be free to leave their employer after reasonable notice."

No serious cases of forced labour were found by the LWSDG monitoring programme in 2005-06.

child labour

The effective abolition of child labour is taken very seriously by LWSDG. Our Code of Conduct which (as previously stated) is signed by all suppliers, clearly explains our position on child labour as follows:

"Exploitation of child labour is totally unacceptable under any circumstances. Suppliers must not employ any person under the minimum legal working age applicable to their country, and under no circumstances must they employ anybody under the age of 14 years."

On the rare occasions we have found child labour in factories in the past we have worked with independent expert advisors to find tailor-made solutions. Between 2005-06 no cases of child labour were found in factories producing for LWSDG.

monitoring

During 2005-06 we have trained key management staff (10-20 hours per manager) at our three agents (SDIL, Hong Kong; Kingsheen, Turkey; SL Global, Singapore) in ethical sourcing and social compliance audit. These agencies together represent approximately 80% of our own-brand buying capability and collectively employ more than 300 staff. As of 2007 each agent now has their own code of conduct based on core ILO labour standards (or uses the Littlewoods Shop Direct Code), their own ethical sourcing policy, health and safety guidelines, social compliance audit process and external reporting template.

More than 80 ethical audits, revisits and assessments were completed by our agents on our behalf between 2005-06. During 2007-08 we plan to collectively ethically evaluate around 100 factories.

We have upgraded our monitoring policies to reflect changes in industry best practice, for example, we will share audits with other retailers and brands when possible to decrease the burden of time and resources on all involved. Also we do not conduct worker interviews other than with representatives of freely elected trade unions.

animal welfare

In 2006 we adopted a strict policy on the use of fur and skins based on industry best practice. The policy is available on our corporate website.

partnerships

The United Nations Global Compact

We are active members of the Global Compact, sit on the Steering Group of the UK Network and chair the Network Liaison Working Group. We commit approximately three weeks per year to UNGC activities in order to learn, contribute to policy and also to share with other companies our experiences of ethical sourcing and Corporate Social Responsibility (CSR). We would help any UNGC member company with advice on ethical sourcing or CSR gratis.

others

During 2005-06 we have tried to make a contribution towards advancing the global agenda of ethical sourcing and CSR by working with various organisations such as the United Nations Development Program (UNDP) and the World Bank Institute. We have also contributed to working groups convened on Human Rights by Wilton Park and on CSR by Grupo di Frascati.

projects

2006 saw the beginning of an exciting organic and ethical cotton sourcing project. Working in the spirit of the Global Compact and involving UNDP and Global Compact member retailers, the project is commercial but also aims to improve working conditions and wages in the cotton sector in Central Asia. An Exploratory Mission was conducted in Tajikistan during Autumn 06 and will be followed by a Pilot in Winter 07.

This project has Executive Board sign off for 2006-07 and we will report on progress in our next annual COP.

Miscellaneous

In 2006 the CEO CSR Forum was founded to review CSR policy and progress. The CEO will meet with up to four Executive Directors and myself twice a year. The first meeting will take place in Spring 07. This will strengthen the Board's involvement with regard to future CSR strategy.

Conclusion

In 2007-08 we look forward to building on the foundations laid in the last year particularly with regard to staff training and capacity building at our three key sourcing agencies, to developing our role as a member of the Global Compact and to delivering tangible results on our projects.

We are a long way from being leaders in some things, but we are on the right road. We believe in value and quality not cheapness. We don't believe in 'Race to the bottom pricing'. We don't believe the UK public facing a resource depleted future needs a £4 pair of jeans or a £1.50 t-shirt. We do believe that in the absence of legislation, CSR is about individual conviction and leadership.

Luckily, we are a business full of people with integrity and conscience from the Mailroom to the Boardroom. We have an emotional involvement when we do business and that's what makes us special.



SDIL QA Managers and Bangladesh General Manager

training and capacity building

A three day senior level training course on Ethical Compliance Audit and Monitoring with a final exam was given to managers from the 6 SDIL sourcing offices in Hong Kong during January 2006. As part of the exam we asked the managers to describe why ethical sourcing and compliance is important to them. Here are a few of the answers we received:

“For the reputation of Littlewoods Shop Direct and the welfare of those workers working for us. Also poor ethical standards can reduce product quality, working morale and output which are detrimental to us.”

Mr. BL Lam, QA Manager Hard Lines, China

“In order to ensure our UK customers are not disappointed – we are the eyes and ears of the company.”

Mr. Ashraf Sarker, General Manager, Bangladesh

“Accountability! To make sure that any part of the factory should not embarrass the company – to guide factory management and highlight serious issues.”

Mr. Vinod Chaudhary, QA Manager Clothing, India

“Giving comfortable working conditions and environment gaining better quality and productivity at the same time.”

Miss. Ann Nutchulee Suebsngad, QA Manager Clothing, Thailand



John Sands



Group HR Director

principle 3 - upholding the freedom of association and the effective recognition of the right to collective bargaining

legal compliance

achieving results

good

best practice

principle 6 - supporting the elimination of discrimination in respect of employment and occupation

LWSDG employs circa 21,500 people, in over 90 locations throughout the UK and the Far East. Our complex network of offices, warehouses, contact centres and delivery depots is managed centrally by a group Human Resources department, with localised departments working in unison with trade unions and employees.

We have well-established relationships with trade union and employee representative groups. We believe that employee involvement is more than just a statutory arrangement but one that establishes best practice and endorses employee 'buy in' to company plans.

Through this approach the business and its trade union and employee representatives work to build a sustainable and profitable business, which provides an environment for a stable economic entity. This requires a mutual understanding of each of our stakeholders' interests and consequently the potential to share in the success of the business at both the corporate and individuals' level.

During financial year 06/07 we will be developing an employee engagement programme, designed to further enhance our commitments to employee involvement. Success of the engagement programme will be measured through regular employee opinion surveys.

The Company not only seeks to comply with the legislative environment governing employment in the UK, but also aims to exceed pure compliance by adopting the guiding principle of treating people well.

This is one of the business values adopted by the Company and relevant to employees, customers, suppliers and the community at large. It translates in practice to treating people the way you would wish to be treated if you were in their position and applies equally to all, irrespective of race, gender, marital status, sexuality, disability or religion.

The merger of Littlewoods and Shop Direct Group of Companies into LWSDG will provide the opportunity to review all Human Resource terms and conditions, policies and practices over the coming years to ensure that they fit for the 21st century and represent best practice, incorporating the principles of respect and fairness.



unions working with littlewoods shop direct group

Val Pugh
National Officer USDAW

Usdaw's relationship with Littlewoods and GUS, as it was then known, dates back to the 1970's. Usdaw has always been the lead Union with both companies, but worked effectively alongside the GMB to ensure that Littlewoods employees' Terms and Conditions were the very best in the industry.

The many changes in ownership and leadership have undoubtedly placed strains on the relationship between company, Unions and many members have been affected by ongoing restructuring. Despite these challenges, we continue to build new and hopefully lasting relationships within the Company.

Usdaw has responded to the change in company structure by completely changing our ways of working and bargaining structures. We hope that LWSDG will continue to recognise the importance of good industrial relations within a business of this size and complexity. The Union Representatives bring a wealth of experience and skills to the Company, which will help it to face the challenges of working in such a competitive environment.



working in an equal opportunities environment

Kev Coghlan
Merchandising Analyst

I have been working for LWSDG as a Merchandising Analyst since January 1997. My role involves, among other things, producing accurate sales trends for various publications, from small brochures to the main catalogues. I also provide analytical support across the business, summarising data, writing reports and creating spreadsheet models as required by colleagues at every level.

I was born with a condition called Congenital Myopathy, which is similar in its effect to Muscular Dystrophy. My muscles have not developed normally, with the result that I have very little physical strength, to the extent that I can no longer walk, as my legs cannot support my own weight. I also require assistance with many areas of my personal life that most people take for granted, such as dressing and getting into and out of bed.

Although my day-to-day working life mainly involves sitting in front of a computer, tapping away at a keyboard, certain considerations had to be given by Littlewoods to my working environment. From having the height of my desk adjusted so that my electric wheelchair can get sufficiently underneath it and having my PC positioned so that it is comfortable to work at, to automating the security doors on my floor to allow me easy access via a remote control. Littlewoods has responded positively to my various requests over the years to adapt my current working environment to make it suitable for me.

In January 2006, we moved to new purpose-built offices. I requested to look around our new premises with a view to ensuring that they were suitable for me and other disabled colleagues before we moved. Even though they had to be constructed in compliance with the Disability Discrimination Act, it is not easy for able-bodied people to give full consideration to every aspect of a disabled person's needs. Other than a few minor issues, which were duly noted and will be acted upon, our new head-office is extremely disability friendly. I need not have worried.

section 3 - environmental principles

principle 7 -
supporting a precautionary
approach to environmental
challenges

principle 8 -
undertaking initiatives to
promote greater
environmental responsibility

principle 9 -
encouraging the development
and diffusion of environmentally
friendly technologies



Matthew Jacques

A handwritten signature in white ink, appearing to read 'Matthew Jacques'.

Group Property Director

LWSDG has a network of offices, 11 warehouses and distribution centres, seven contact centres, 61 parcel delivery depots and a data management and print service.

All operations have centrally managed departments that oversee recycling, waste management, disposal of non-recycleable goods, energy consumption and fossil fuel use.

energy and water consumption

We are currently auditing energy and water usage throughout the group to identify where reductions in consumption can be made. Energy prices have doubled for most consumers over the past year, and this together with recent concerns about water shortages is driving the business to pay more attention to consumption and improved energy usage.

In 2006-07 we are running a major review programme in each and every site. To ensure our energy and water consumption is accurately monitored and targeted, we are one of the first businesses in the UK to install Automatic Meter Reading (AMR) equipment at the majority of our sites.

waste electrical and electronic equipment directive (WEEE)

Under the new WEEE European Union directive, all retailers and producers of electrical and electronic equipment are obliged by law to recycle or provide facilities for the destruction of waste electrical product. Already legislated in most European states, except the UK and Malta, organisations in the UK are preparing for compliance when the directive becomes law in July 2007.

We have put in place a WEEE steering group to prepare the Company and our processes for the effective disposal of waste detailed in the directive.

delivering the customers' order responsibly

Home Delivery Network Limited is the parcel delivery arm of LWSDG. It delivers and picks up over 130 million parcels every year and has the potential to deliver to every postcode address in the UK. Not only does Home Delivery Network deliver parcels for LWSDG, but it also works as a third party delivery agent for some of the biggest names in retail.

With a fleet of over 3000 vehicles, from vans to HGV's, Home Delivery Network ensures that it has in place strict policies on servicing, fuel usage and vehicle replacement, in line with government guidelines and commercial environmental targets.

Home Delivery Network vehicles travelled a total mileage of 94.8 million miles in 2005-06. However we do take significant steps to maximise the performance of our vehicles and reduce the risk of running vehicles that unnecessarily pollute through unmonitored and uncontrolled emissions.

When selecting vehicles as part of our vehicle replacement and maintenance policy, our criteria includes environmental impact.

Our technicians test a wide range of vehicles during the selection process. These tests assess fuel efficiency as a key driver of final choice of the vehicle we use. Our HGV vehicles have a six-week service regime, which includes regular emissions testing and our depots employ a route planning system which ensures the most effective use of journey time and reduces unnecessary travel.



our publications and the environment

Andy Burnett
Paper Buyer

LWSDG has nine home shopping brands in its estate. One is purely online, the others run two main seasonal books, plus two supplementary mid-season books. Over 80 per cent of our total customer base still shop from home using books, traditionally known as catalogues.

In 2005 we produced and posted a total of 29 million books, a figure that is rising through 2006 with the Company's new strategy for publishing and future brand development. The paper we use for our books and mailings is made from wood, which has been farmed and replanted to fall in line with European standards. Every tree that is felled is replaced by three newly planted saplings, this activity is all 'Forest Stewardship Council' approved, and falls into the organisation's codes of practice based on promoting responsible management of the world's diminishing forests. To read more, please visit the Forest Stewardship Council's website at www.fsc.org.

Our business does not use recycled paper in production of its books, mainly due to the demand and quality requirement from our customers. However, the complete process of paper making from all our suppliers is confirmed as environmentally friendly and all mills are certified and accredited as such.



Michael McClenan

A handwritten signature in black ink, appearing to read 'Michael McClenan', written in a cursive style.

Group Head of Legal

section 4 - corruption principle

principle 10 -
working against corruption
in all its forms, including
extortion and bribery

legal compliance

achieving results

good

best practice

LWSDG requires all its business relationships to be conducted in a fair and honest manner. High standards are required of its employees and those who do business with it.

A Code of Conduct on Gifts and Entertaining is issued to all suppliers and employees. Compliance with this Code is a requirement of the contract of employment of its staff and of its standard contracts with its suppliers. The Code prohibits any dealings under which a member of staff or his/her family would achieve any personal gain from a business relationship between LWSDG and its suppliers. This applies not only to cash payments and gifts, but also indirect benefits, such as payment of an employee's travel or accommodation expenses, the provision of goods or services at less than their commercial value, extension of business trips for leisure purposes paid for by the supplier, the entering of an employee into a competition from which they might benefit. Breach of the Code is a disciplinary matter for employees and may result in termination of the Company's trading relationship with a supplier.

In addition, all staff who have dealings with suppliers are required to confirm that they will comply with a Code of Conduct on Competition Law. In particular, they must not agree retail prices with the Company's competitors or suppliers, agree not to list competing products or share competitively sensitive information. Training is given to all relevant staff to assist them in complying with Competition Law.



gifts and entertainment policy

Steve Roach
Furniture Buyer

LWSDG buys furniture in countries such as Brazil, China and Malaysia and it is normal practice for Buyers and their teams to travel to visit our suppliers in person. Buyers travel approximately twice per year for a two-week period.

All normal travel expenses such as flights and hotel rooms are paid by LWSDG and never by our suppliers. In some cultures custom and practice differs from our own with regard to gifts and entertainment in a business context. Nevertheless, we abide by the Company policy and must decline gifts of monetary value and entertainment other than things like business lunches and dinners that may be reasonably reciprocated.

In the far east for example it is fairly normal practice for factories to present visitors with a gift or memento of their visit – this might be a souvenir of the location, sweets or an example of a product made in the factory. The Buyer must decline if the item is of monetary value.

Gifts of nominal value like pens and calendars or promotional items for example are not considered inappropriate, though they are certainly not encouraged. Our policy is simple and straightforward. I'm proud to say my career spans a good few years but even for our Junior Buyers that are just starting out, the policy is an easy one to follow.



David Boardman

David Boardman

Group Corporate Communications Director

section 5 - our community

We believe that LWSDG should play an active role in the local communities in which we operate and, as such, we have many initiatives and partnerships in place to ensure diverse groups of individuals and organisations benefit in some way from our operations.

local partnerships

Our organisation has two long-term charitable partnerships; Alder Hey Children's Hospital and support of its Imagine Appeal; and Weston Spirit, a national organisation that works with disadvantaged children and teenagers. We understand the importance of localised business partnerships and so have forged a number of high profile working relationships with organisations in the North West of England.

To find out more please visit our website: www.lwsdg.co.uk.

legal compliance

achieving results

good

best practice

new mersey gateway

The Company has assisted with lobbying the Department of Transport for funding to help build the New Mersey Gateway Crossing. This project will vastly improve the transport links to Liverpool City Centre and South Liverpool, and conversely help the regeneration of the city when it's finally built in 2014.

estuary car share network

Working in partnership with two local enterprises within the Estuary Commerce Park, South Liverpool, we helped to launch an employee car share scheme. The scheme was designed to encourage thousands of employees to take a more environmentally friendly approach to coming to work. With single occupancy car usage on the rise in many cities, leading to congested roads during peak times, we believe that sponsoring such scheme is the only way to make the roads in South Liverpool clearer, whilst helping to reduce CO2 emissions.

responsible travel to work

Since moving into our new headquarters in Liverpool in January 06, we have adopted a responsible Travel Plan. Travel Plans encourage employees to travel to work more responsibly, which includes car sharing, travel by bus, trains (public transport usage), bicycles and walking. We are looking to develop and improve public transport and encourage development of sustainable infrastructure ie bus lanes, cycle lanes, park and ride schemes. The plan meets strict planning criteria with a firm commitment to reduce the number and length of motorised journeys and therefore offset annual increases in traffic growth.

The measures we have adopted widen travel choice for employees, promote sensible and appropriate use and emphasise viable alternatives for commuting, business travel and site visitors.

The Travel Plan has real benefits, not only to the organisation and its employees, but also to the surrounding community and fellow businesses. We anticipate that this will relieve parking and local congestion pressures, whilst improving public transport connectivity and ticketing benefits for the whole community.

We believe that employees who walk, cycle or use public transport benefit from being healthier and more productive, with better work-life balance. There are also financial savings associated with active travel. Similarly, time spent on public transport offers productive benefits over driving for business users.

Phil Spick
Travel to work Manager



Mark Evans



Group Creative Director

section 6 - body image in our publications

A person's body image encompasses physical appearance, size and shape. Issues of body image are found everywhere, whether one is conscious of it or not. Our body image is formed out of every experience we have ever had – parents, role models, and peers who give us an idea of what it is like to love and value a body. Image is formed from the positive and negative feedback from people whose opinions matter to us. It is also the way we ourselves perceived our body to fit or not to fit the cultural image.

Western society places a high value upon appearance, today's female fashion models weigh 23% less than the average female, and a young woman between the ages of 18-34 has a 7% chance of being as slim as a catwalk model and 1% chance of being as thin as a supermodel, however, 69% of women in one study said that magazine models influence their idea of the perfect body shape, and the pervasive acceptance of this unrealistic body type creates an impractical standard for the majority of women.

legal compliance

achieving results

good

best practice

The images we produce today are intended to sell products, and with that in mind we select models based around the brand strategy and has our core customer in mind. Our selection is from a variety of ethnic groups, age ranges and body shapes to fulfil the brand brief.

The high fashion catwalk models physical appearance can be out of line with home shopping requirements. We must only work with models whom our customers can relate to in an aspirational sense, who portray the core values of the brand and importantly who look wholesome and healthy.

Moreover, we must work only with model agencies that have a clear understanding of our guiding principles.

customer feedback

We receive regular customer feedback about our services, and act upon it in the most appropriate way. We recently received feedback from customers, who were unhappy about the use of models they deemed to be too thin in one of our books. As a result of this, we have further defined our model policy to ensure our body image message is positive.



Paul Makin



Managing Director

section 7 - responsible lending and credit services

LWSDG provides through its financial services arm, Everyday Financial Solutions (EFS), access to affordable and transparent credit that enables customers to budget effectively for those essential and aspirational purchases that otherwise would be beyond their grasp.

cover for all eventualities

Through clear and often interest free terms customers have confidence to plan ahead and enjoy the benefits of items purchased sooner. If circumstances change (e.g. through unemployment or hospitalisation) and payments become more difficult, the Payment Protection Insurance selected by many customers will cover their future payments. For those without the benefits of the insurance or where a valid claim is not possible, the Financial Support team aims to provide affordable payment plans to help see customers through unexpected payment difficulties.

legal compliance

achieving results

good

best practice

combating fraud and identity theft

Industry leading credit assessment and fraud prevention techniques employed by EFS aim to protect customers from taking on commitments they are unable to keep to and provide protection against fraud such as identity theft. LWSDG is a leading provider and user of data shared through the main credit reference agencies in the UK with the Credit and Insurance Fraud Avoidance Scheme (CIFAS). Use of this data is an essential element of decisions effecting initial account openings, credit limit setting, and ongoing decisions concerning accepting orders.

LWSDG's Legal and Compliance teams work closely together to ensure compliance with Financial Services Authority, Credit Consumer Act and Data Protection regulations. Clear policies and procedures exist to ensure that both the principles and detailed rules are satisfied.



Michael Spenley



Head of Ethical Sourcing

editorial

I am pleased we have decided to be transparent, open and honest in this report and that it is focused on actions planned or completed and not on ifs, buts and maybes.

Our decision to report is a demonstration of our continued commitment to the Global Compact and the Ten Principles. Also, we have deliberately exceeded the minimum requirement for reporting content in a COP as indicated by the UNGC office.

As a primary goal I hope we have been able to illustrate that we have many dedicated and gifted people in place, who care passionately about their work. We look forward to the next year with optimism and a clear mandate for improvement from our owners and executive.

