

Findel Education Limited

Communication on Progress

Implementing UN Global Compact principles throughout our business and value chain.

30th July 2015

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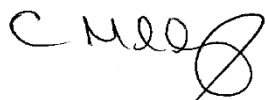
Statement of Continued Support

To our Shareholders/Stakeholders:

I am pleased to confirm that Findel Education Ltd reaffirms its support of the ten principles of the United Nations Global Compact in the areas of Human Rights, Labour, Environment and Anti-Corruption

In this annual communication on progress, we describe our actions to continually improve the integration of the Global Compact principles into our business strategy, culture and daily operations. We also commit to share this information with our stakeholders using our primary channels of communication. Whilst we can confirm our ongoing commitment to supply chain audits, we would also like to update you on our progress around our business objectives, in particular those in connection to sustainability and occupational health and safety.

Yours Sincerely,



Chris Mahady

Managing Director

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Corporate Social Responsibility (CSR) Statement

Findel Education Resources embrace responsibility for the company's actions, which is why we try to have a positive impact on everyone we come into contact with through the course of our business. We are a progressive and socially aware business, and as such we are dedicated to integrating ethical and environmental factors within our business strategies, and are constantly aiming to improve our CSR performance.

We believe that CSR is integral to the long-term sustainability of our business, and we try to be responsible in all our interaction with:

- Our people and wider community
- Our customers
- Our suppliers

Highlights for our business since our 2014 submission in particular are a year on year improvement in key quality objectives (Improved Net Promoter Score (NPS), Minimising service failure, Reduced credits Vs sales and a Lower query to order ratio), sustained certification to ISO9001:2008 (quality management) and ISO14001:2004 (environmental management), but predominantly our successful certification to OHSAS18001:2007. OHSAS18001 is the world's most recognised standard for occupational health and safety, but also incorporates the assessment of our third parties.

We are now working on a review of these standards as they are due imminent modification (ETA Sept 15) in line with the Annex SL framework.

Quality Policy

Findel Education is dedicated to the education market. Our aim is very simple – to provide quality products at competitive prices with the highest standards of Customer Service. Findel Education will ensure that its products and service always meet the customer's expectations and comply with any relevant current legislation or regulatory requirements.

The Quality Policy is relevant to our organisational goals and the expectations of our customers. Specific quality objectives for the products and services will be set and reviewed through management review meetings and through the business planning process. The Board of Directors are committed to ensuring continuous improvement and to achieving agreed quality standards by maintaining an effective Quality Management System that complies with International Standard BS EN ISO 9001:2008.

Continuous improvement will be achieved by regularly evaluating our products, services and internal operations and identifying actions to ensure that all quality objectives are achieved and that nonconformities are prevented. All relevant internal and external suppliers will acknowledge their responsibilities and will fully participate in any activities which lead to the improvement of the quality of products or services.

Compliance with this policy, the supporting quality process flow charts and other documents is mandatory for everyone (except when a deviation is approved by a director following our concession/deviation process).

Environmental Policy

Findel Education is committed to preventing pollution and to complying with all relevant environmental legislation, regulations and other environmental requirements.

We will regularly evaluate the environmental impact of our activities, products and services and we will take action to continually improve our environmental performance by implementing an Environmental Management System that meets the requirements of ISO14001.

It is our policy to:

- (a) Minimise the use of energy, water and natural resources
- (b) Minimise waste through prevention, re-use and recycling where possible, with an aim of “zero waste to landfill”
- (c) Dispose of waste safely and legally
- (d) Avoid the use of hazardous materials, where practical
- (e) Work with environmentally responsible suppliers
- (f) Prevent environmental damage and minimise nuisance factors such as noise and air pollution

We will define environmental objectives, targets and improvement actions that are related to this policy and to our significant environmental aspects. We will regularly evaluate progress against these through our ‘Management Review’ process. We are committed to providing relevant environmental training and promoting environmental awareness to employees and, where appropriate, to suppliers and to communicating our environmental performance.

We will implement processes to prevent environmental nonconformities and to ensure that we are prepared to deal with potential environmental emergencies.

This policy will be regularly reviewed and updated to take account of organisational priorities and changes, environmental legislation and best practice.

Health and Safety Policy

Findel PLC strives to be an ethical and progressive company. We care for the wellbeing of our employees and all those who are involved or affected in our operations. We strive to provide and continuously improve a safe and healthy working environment where this is within our influence.

Our policy is to achieve this through legal compliance and the development & adoption of strong risk management practices and processes designed to eliminate, or mitigate so far as reasonably practicable, the risk exposure of all those affected by our activities.

We base our policy on four values:

- Nothing we do is worth getting hurt for
- Health and Safety can and will be effectively managed
- Prevention of every work – related injury or illness is fundamental
- Health and Safety is everyone's responsibility

Against these values Findel PLC is committed to the following:

- Complying with all legislative and other requirements that are relevant to the company's activities.
- Fully assessing all risks and ensuring that they are adequately controlled.
- Setting and maintaining high procedural standards of health & safety across all our operations.
- Monitoring health & safety performance of all our operations through key performance indicators, performance reviews, and appropriate auditing.
- Maintaining an effective health & safety management system which will be reviewed on a regular basis and is updated in line with business developments or changes in relevant legislation, codes of practice or industry best practice.
- Setting objectives that ensure clear and visible management accountabilities and employee responsibilities across the whole of our business.
- Ensuring that all work equipment is suitable for its intended use and maintained in a safe condition.
- Ensuring that our work activities are as safe as reasonably practicable and are supervised at all times.
- Delivering an effective and targeted training and personal development programmes that provide the requisite knowledge, skills and competencies to support the risk management process, accountabilities and responsibilities.

Everyone within Findel PLC will play their part to ensure that the above standards are achieved. We expect our employees to play their part and to recognise that they too have responsibilities towards health & safety.

This policy will be reviewed and updated annually.

Realised OHSAS18001 Benefits

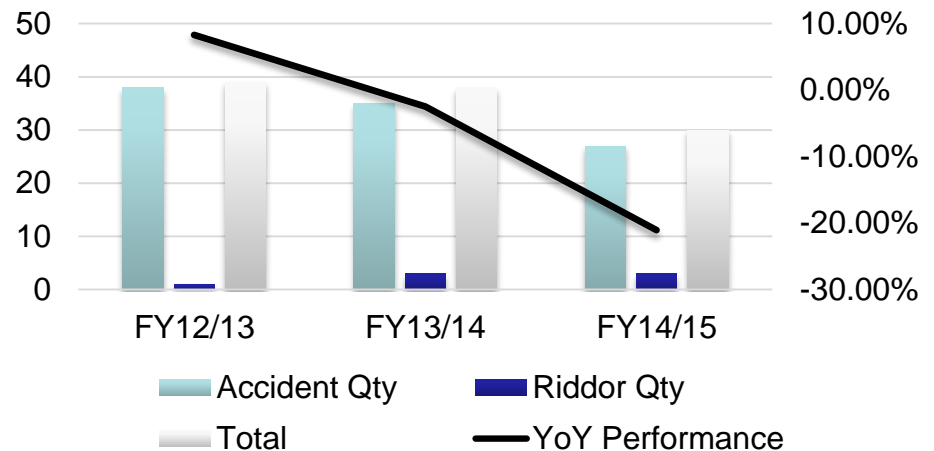
Since introducing the OHSAS18001 standard and merging it with our other standards we have seen some significant benefits, including:

- ✔ Reduction in Minor Accidents (RIDDORs have remained static)
- ✔ Improved Risk Assessments and other associated documentation (e.g. SSoW)
- ✔ Heightened staff awareness / perception
- ✔ More training / development (e.g. CIEH Risk Assessment Training)
- ✔ Site consultations with review of monthly topical audit
- ✔ Greater involvement in health and safety matters by staff at all levels
- ✔ Quarterly Management Health and Safety Strategic Review Meetings
- ✔ A reduction in risks and hazards
- ✔ Other site improvements

Realised OHSAS18001 Benefits against our Objectives

Objective	Target	Performance
Reduce RIDDOR incidents to zero	Reduce by 1 RIDDOR p/year	RIDDOR remains static
Reduce the amount of accidents	Keep below the national accident threshold rate for our Standard Industrial Classification (SIC)	Accidents reduced YoY and remains below the national accident threshold rate
Improve workplace health	YoY reduction of long term sickness and absence	TBC (information not currently available, but will be through new HR system)

	Accidents	RIDDORs	Total	YoY
FY12/13	38	1	39	+8.30%
FY13/14	35	3	38	-2.50%
FY14/15	27	3	30	-21%



Environmental Objectives and Target Performance

Objective	Target	Performance
Reduce Gas and Electricity Consumption	5% reduction	7% Reduction - Electricity 20% Reduction! – Gas
Reduce Waste	Zero waste to landfill	98.9% Recycled
Reduce Water Usage	5% reduction	7% increase
Reduce Fuel Emissions	max. 140g/m for cars and Euro 5 or 6 for supplier transport vehicles wherever possible.	Policies in place for all outbound carriers. PLC Car Policy.

On the whole we continue to see a continual improvement in our environmental performance, particularly around the aspect of reduction in energy usage.

Our overall business waste is now also extremely close to being full 100% zero waste to landfill. We did see a slight increase in water usage, but in volume terms this is negligible.

Labour and Human Rights

Supplier Ethical Audits

As part of Findel Education's ongoing commitment to the UNGC labour principles, an agreement has been reached with a third party audit provider. Whilst we have had supply chain data provided through our own audit procedures for many years, we believe by using a third party provider we provide greater transparency throughout our supply chain and customer base.

The audits cover the base code of the ETI to ensure that:-

- Employment is freely chosen
- Freedom of association and the right to collective bargaining are respected.
- Working conditions are safe and hygienic
- Child labour shall not be used
- Living wages are paid
- Working hours are not excessive
- No discrimination is practiced
- Regular employment is provided
- No harsh or inhumane treatment is allowed
- Environment

Audit reports are monitored on a continual basis.

Labour and Human Rights (cont-)

Employee Engagement

We have a structured process in place for setting our people's objectives and monitoring their performance. These are measured regularly and align perfectly to our overarching business goals.

Our people are reviewed formally twice a year and have monthly one-to-ones with their line manager to identify gaps in performance and for the appropriate corrective actions to be taken.

The performance and development of our people is important to us – we want everyone to excel at what they do and consistently deliver and reach their full potential.

We proactively discuss our CSR activities with our people, listening and acting upon their suggestions to improve our business and the overall employee experience. We have a CSR document in place that describes what we do.

The standards we have in place for CSR also support out Commercial Bids and Tenders for new business.

Labour and Human Rights (cont-)

Employee Development

We have seen a strong year from an L&D perspective with a number of areas undergoing further development within Findel Education. Strong plans have been developed and a structure L&D Roadmap for 2015/16 is in place and supported by the Leadership Team.

The development of the Contact Centre through sound training and coaching interventions continues to support the ongoing improvement of our customer experience. We were shortlisted to the final 3 (out of c30 companies) for the highly acclaimed Training Journal Award for Best Customer Service Training Programme during 2014. The L&D function along with its relationships with the Contact Centre, the core functions and HR is now operating at an influential level. All business stakeholders engage fully with the L&D programme and this will be monitored throughout 2015/16.

Specific measurable activities have also taken place within our Warehouse Operations that have been supported by our Head of Operational Fulfilment. This has ensured that operational standards exceed expectation and as such supports the customer experience and ensures all operational employees are focused on continuous improvement through a 'A Star' error free performance programme initiative.

Whilst the L&D function will continue to support Customer Journey/Experience across all areas and support technical and professional development initiatives it is also important that focus is given to developing the Leadership population to remove Single Points of Failure (SPOF) and Succession risks - this aligns to the requirements of the Business Operating Plan and is in place for this year – the culmination of these L&D work-streams will result in a stronger and well supported organisation with a focus on our people.

Labour and Human Rights (cont-)

Diversity and Inclusion

Findel is committed to a policy of promoting equality of opportunity, by providing an inclusive workplace and eliminating any unfair or unlawful discrimination.

As Findel Education's success and competitiveness depends upon its ability to embrace diversity, we believe that everyone should feel valued for their contributions. Inclusion in our business is all about creating a working culture where differences are not merely accepted, but valued.

Our policies ensure diversity and inclusion is considered in all of the following areas:

- Recruitment and selection
- Terms and conditions of employment
- Working environment
- Training and development
- Promotion and career progression
- Redundancy and re-deployment
- Pay

Labour and Human Rights (cont-)

Staff Welfare

Findel Education continues to utilise flexible working opportunities throughout its business and across functions to support the right work/life balance whilst considering the requirements of the Division to maintain its high level of customer and employee satisfaction.

Our employee induction or On-Boarding programme is continually strengthened and has recently become more interactive from day one of employment. The company's appraisal system is established and employees are inducted in how the Company operates along with a specific departmental induction. Responsibility has been devolved to Managers and we have seen ownership and accountability improve.

We continue to make significant improvements to our intranet and we will see the launch of our new platform later this year that enables our people to access Company information and electronic documents easily. This will also improve our communications standards and meet our Employee Voice targets.

System improvements continue to be made to improve employee engagement and the Company has introduced an Employee Self Service system that will make all our employees life easier. Further enhancements to systems will continue during 2015/16.

Our employee survey continues to indicate improvements across areas such as; communication, engagement, contribution, development and reward. We will continue to collect our people's opinions to support our overarching business goals and objectives which will continue to add value and strengthen the employee experience.

Labour and Human Rights (cont-)

Our People

Findel Education is proud to have a dynamic and diverse range people in its organisation. We encourage all of our people to reach their full potential in everything they do for our business, for our customers, for themselves and for each other. Our people goals are reviewed and measured as part of our normal day to day business, they are to:

- Ensure all of our people understand our business – Our Market, Our Customer, Our Brands
- Improve the development and behaviours of our people and continue to create and grow a ‘learning organisation’ we are proud of, that will enable us to attract, reward, motivate and retain the best talent. Findel Education benefits from a dedicated Learning & Development function
- Implement and monitor performance management across the business
- Implement and monitor compensation and benefits, contributing to making our business an employer of choice
- Develop and implement creative, honest and open communication and engagement practices, to make our business a great place to work
- Develop, improve and monitor our people policies to make life easier for everyone
- Monitor and maintain legal and compliance standards to safeguard our business, our people we employ, our customers and the suppliers with whom we trade with on a day to day basis

Anti-Corruption and DBS

Anti-Corruption

Employees during on-boarding process within the business are informed of the companies anti-corruption and 'whistle blowing' policy. The company also operate a code of conduct policy which must be adhered to at all times. Additionally, the leadership team and relevant management representatives have completed online courses on the subject through our L&D team.

The companies anti-corruption policy enables employees to raise concerns internally at a high level and to disclose information which the individual believes shows malpractice or impropriety. These could be in relation to the following:

- Financial malpractice or impropriety or fraud
- Failure to comply with a legal obligation or statutes
- Dangers to Health & Safety or the environment
- Criminal activity
- Improper conduct or unethical behaviour

An anti-bribery policy is also supplied by our third part audit company to suppliers before carrying out an ethical audit.
Findel Education do not have any anti-bribery cases under investigation.

DBS

In the normal course of their duties, our people maybe in contact with potentially vulnerable customers and the people who work or are within their premises (Educational Establishments). In order to protect customers and our people who have such contact, they will be subject to relevant checks. All of our sales people are DBS checked as a matter of routine in addition to employees within our Marketing and Trading teams.

Making A Difference

Findel Education supports charitable organisations and offers constructive help to local educational establishments. Helping to make a difference is something our business and our people are striving to do, no matter how big or small the contribution.

BITC

Our business and our people in 2015/16 will be involved with 'Business In The Community' (BITC). This programme will not only support schools in our local area but will also act as a development opportunity for our people at all levels. This type of scheme supports our employee growth and supports the culture and desire to make a difference.

Greggs

Another scheme we are involved with is the Greggs Breakfast Club. This scheme allows us to support schools in areas of deprivation by providing a breakfast club for primary school children. It ensures a great start to their day and promotes health, wellbeing and learning and development in the classroom. We have successfully partnered with St Patricks Primary School in Manchester. The school has significantly increased the take up of children participating and the impact is having a marked improvement on the children's attention and development at school at such an early age – we are very pleased to be supporting this initiative.

The Chamber of Commerce

As a business it is important for us to understand what is happening in the wider business community. We are pleased to be working closely with our colleagues in the Chamber of Commerce. Through the Chamber we have access to business intelligence across a broad range of areas, which helps us support our business initiatives and the development of our people.

School Governorship Programme

During 2015/16 it is proposed that Findel Education will launch a School Governorship programme that will allow our people to become School Governors across certain geographic areas. This is an excellent opportunity for our employees at appropriate levels to engage with a school and make a real difference. The learning and development opportunity for the participant is extremely valuable and will contribute to their ongoing personal development within Findel Education.

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Other Initiatives

Findel Education are also now approved by, or members of, the following organisations:

Buy With Confidence – Trading Standards

We were audited against and certified to the Buy With Confidence scheme by Tameside Trading Standards. We are continuing to work with Tameside TS to form a primary authority partnership (PAP).

British Quality Foundation

We are members of the British Quality Foundation, Europe's largest corporate membership organisation dedicated to process improvement.

Chartered Institute of Environmental Health

We are a Registered Training Centre for the Chartered Institute of Environmental Health (CIEH)

British Safety Council

We are members of the British Safety Council.

RoSPA

Most recently we became members of RoSPA – the Royal Society for the Prevention of Accidents.

BESA

For several years we have been members of BESA, the British Educational Suppliers Association.

Intent of Support

As advocates for continued improvement and of the United Nations Global Compact it is our aim to continue to support its ten principles in the area of Human Rights, Labour, Environment and Anti-Corruption.

We will submit our next submission in 2016 inclusive of the additional improvements we have made in these areas.

Thank You.