

UNITED NATIONS GLOBAL COMPACT

COMMUNICATION ON PROGRESS

- **Statement of continued support by the Chief Executive Officer**
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- I am pleased to reaffirm that Rapier Employment Ltd continues with its support of the Ten Principles of the United Nations Global Compact in all areas, specifically within the area of Human Rights, Labour, Environment and Anti-Corruption. In this COP, we describe our actions to provide for the continual improvement of adoption of the UN Global Compact principles into our business, workforce, operations and clients. We will continue to strive to improve our communication of the Ten Principles, and how we abide by them, to all stakeholders.
- Of major concern to us these last months has been the effect of the decision by the UK to leave the European Union. Many of our employees have been concerned with the possible effects this might have with regard to their future employment status. We have communicated directly with concerned employees in an effort to reduce any levels of insecurity experienced, and promised to do all that is possible to achieve a satisfactory outcome.
- Harvey Townson CEO

Human Rights

- **Assessment, policy and goals**
- **Description of the relevance of human rights for the company (i.e. human rights risk-assessment). Description of policies, public commitments and company goals on Human Rights.**
- Our policies and procedures are designed to ensure that Human Rights are at the forefront of all of our business operations. We commit fully to the Equality Act 2010, and have signed up to, and continue, to be members in various organisations that provide for the rights of workers, for example Stronger2Gether. The Equality Act is enshrined in our Handbook, available to all employees. We have policies in place that ensure third parties we deal with to help with the provision of labour abide by the same levels of ethics that we use, that work is provided free of any charge and transport costs. We have set up computerised systems that highlight if the same bank account, phone number or address is repeated, allowing for an investigation as to why this might be. All of our managers have received training in the necessary policies and procedures, which is consistently updated, and all new employees are made aware of the methods which they can use, anonymously if necessary, to highlight any problems they have. All problems reported are subject to an investigation by a senior manager. Our managers are also trained in the "red flag" alerts that provide for early warning of potential issues.

- **Implementation**
- **Description of concrete actions to implement Human Rights policies, address Human Rights risks and respond to Human Rights violations.**
- We have a robust and comprehensive standard operating procedure that includes making all employees aware of all of our policies and procedures. This starts at the registration of potential employees into our computerised systems and continues when they actually start work. All employees have access to our system through an employee portal that allows for the viewing of information. We fully adopt the ACAS guidelines that provide for the fair and reasonable treatment of employees, including the right to be accompanied at a formal meeting, and the right to an appeal against any action taken against them. This applies both to disciplinary and grievance. All of our policies are reviewed regularly.
- **Measurement of outcomes**
- **Description of how the company monitors and evaluates performance.**
- This topic is a standard agenda item on every manager meeting held regularly throughout the year, which is recorded. We have KPI's in place to assist in the reporting process and allows for a constant measurement of performance, with the intention of constant improvement.

Labour

- **Assessment, policy and goals**
- **Description of the relevance of labour rights for the company (i.e. labour rights-related risks and opportunities). Description of written policies, public commitments and company goals on labour rights.**
- As a supplier of labour, mainly to blue-chip retail clients within the warehouse and transport fields, there is an absolute necessity to ensure the strictest adherence to good practice. As our clients have signed up to promote the Ten Principles, in their various forms, we are fortunate enough to have external audits, as well as internal ones performed by our Compliance Department, to ensure that all necessary standards are met, and even exceeded. To that end, we fully commit to Principles 3-6 of the UN Global Compact in that we support and provide for freedom of association and effective recognition of the right to collective bargaining, the elimination of all forms of forced and compulsory labour, the effective abolition of child labour, and the elimination of discrimination in respect of employment and occupation.
- **Implementation**
- **Description of concrete actions taken by the company to implement labour policies, address labour risks and respond to labour violations.**
- The Board of Directors continues to take the lead in ensuring that human rights considerations are integral in the way in which we operate. Reviews on

policies and procedures are regular and meaningful. They ensure that initial and on-going training is provided to all leaders within the company. Managers provide visible leadership that promotes human rights as an equal priority to business issues. When necessary, we will seek assistance from various government bodies if we feel an issue is beyond our capability to solve. We have policies and procedures that provide guidelines to all employees if they feel they have an issue they wish to report, or raise a grievance, in strictest confidence. We have a strong compliance team that continually audits our offices to ensure company standard are met. We will only employ workers that meet the legal minimum age for admission to work or training. We will not make use of any forced labour, including prison labour. All of our employees have the implicit right to refuse a request to work hours more than contracted for, without fear of any form of retribution. We provide for a safe and healthy work environment not only in our own premises, but also those of clients. We commit and act fully to the Equality Act 2010, and allow no form of discrimination on the grounds of race, religion, disability, gender, sexual orientation, age or union/political affiliation. Our policies clearly spell this out, and all employees are aware that any contravention of this may lead to disciplinary action, up to and including dismissal, being taken against anyone found to be in contravention of our policies.

- **Measurement of outcomes**
- **Description of how the company monitors and evaluates performance.**
- This topic is an agenda item on every management meeting held regularly throughout the year, and is recorded. KPI's are used to measure the number of issues that arise, ensuring a constant improvement as targets are raised continually. A report is prepared prior to each meeting.

Environment

- **Assessment, policy and goals**
- **Description of the relevance of environmental protection for the company (i.e. environmental risks and opportunities). Description of policies, public commitments and company goals on environmental protection.**
- The vast majority of our employees are based at client sites, there are relatively a very small number contained within our own premises. Consequently, while we strive to work with our clients to assist in every way possible the achievement of their own responsibilities and targets for environmental protection, we have limited scope within our organisation as a result of the small numbers within our premises. However, even though in the scope of the environment a massive reduction in energy use, or a reduction of pollution, in those areas that we have control over will provide only a miniscule improvement to the overall situation, we provide all the means possible to work effectively to achieve those reductions and help protect and sustain the environment..
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- **Implementation**
 - **Description of concrete actions to implement environmental policies, address environmental risks and respond to environmental incidents.**
- We have adopted a robust Environmental Policy. This provides for a training regime for improved recycling elements, with the provision of recycling bins at all locations. Redundant office equipment is sent to a recycling organisation rather than landfill. Used toner cartridges are made available to charities rather than landfill. We have introduced paperless systems as far as possible, and encourage employees to not print onto paper. Where this is necessary, we have encouraged the use of the lowest impact printing processes, such as using draft quality settings, 2 sided printing and B&W rather than colour. We recently took part in the EU directed Energy Savings Opportunity Scheme (ESOS). This has allowed for a comprehensive analysis of energy cost at all of our premises, and has led to a series of recommendations as to how to reduce usage. Examples are the replacement of strip lighting with energy-efficient LED lighting, turning computers, printers, faxes and copiers off rather than leaving on stand-by, and replacing some windows with more efficient glazing solutions. It is suggested that we may achieve an 8% saving if all of these are implemented. We are currently in process of following at least some of these recommendations. Another area of potential reduction in energy usage, highlighted by the ESOS analysis, was the potential saving on fuel usage in company vehicles. To that end we are actively seeking ways to reduce the number of road miles travelled, and more environmentally efficient methods of travel. Managers are being asked to only make journeys when absolutely necessary, and to use technology where possible to limit the need for travel, such as phone conference, SKYPE, etc.. It is suggested we may be able to reduce our overall transport fuel cost by 7%. In addition we encourage the use of car-sharing whenever possible.
- **Measurement of outcomes**
 - **Description of how the company monitors and evaluates environmental performance.**
- As a result of ESOS, every premises is now subject to a strict monthly analysis on the costs of energy usage, with a comparison made to the same month of the previous year. Any significant increase will result in the appropriate manager having to give an explanation as to why. Transport fuel costs are also analysed on a monthly basis, with those car drivers having to give an explanation as to why either there has been an increase or a lower target not met.

Anti-Corruption

- **Assessment, policy and goals**
- **Description of the relevance of anti-corruption for the company (i.e. anti-corruption risk-assessment). Description of policies, public commitments and company goals on anti-corruption.**

- One of the Company's core values is to uphold responsible and fair business practices. It is committed to promoting and maintaining the highest level of ethical standards in relation to all of its business activities. Its reputation for maintaining lawful business practices is of paramount importance. The Company therefore has a zero tolerance policy towards bribery and corruption and is committed to acting fairly and with integrity in all of its business dealings and relationships and implementing and enforcing effective systems to counter bribery.

- **Implementation**

- **Description of concrete actions to implement anti-corruption policies, address anti-corruption risks and respond to incidents.**

- We have adopted a strong and robust anti-bribery policy. This Policy sets out the Company's position on any form of bribery and corruption and provides guidelines aimed at:
 - Ensuring compliance with anti-bribery laws, rules and regulations, not just within the UK but in any other country within which the Company may carry out its business or in relation to which its business may be connected
 - Enabling employees and persons associated with the Company to understand the risks associated with bribery and to encourage them to be vigilant and effectively recognise, prevent and report any wrongdoing, whether by themselves or others
 - Providing suitable and secure reporting and communication channels and ensuring that any information that is reported is properly and effectively dealt with
 - Creating and maintaining a rigorous and effective framework for dealing with any suspected instances of bribery or corruption.

This Policy applies to all permanent and temporary employees of the Company (including any of its intermediaries, subsidiaries or associated companies). It also applies to any individual or corporate entity associated with the Company or who performs functions in relation to, or for and on behalf of, the Company, including, but not limited to, directors, agency workers, casual workers, contractors, consultants, seconded staff, agents, suppliers and sponsors ("associated persons"). All employees and associated persons are expected to adhere to the principles set out in this Policy.

Legal obligations

The UK legislation on which this Policy is based is the Bribery Act 2010 and it applies to the Company's conduct both in the UK and abroad. A bribe is an inducement or reward offered, promised or provided in order to gain any commercial, contractual, regulatory or personal advantage.

It is an offence in the UK to:

- Offer, promise or give a financial or other advantage to another person (i.e. bribe a person), whether within the UK or abroad, with the intention of inducing or rewarding improper conduct, request, agree to receive or accept a financial or other advantage (i.e. receive a bribe) for or in relation to improper conduct
- Bribe a foreign public official.

You can be held personally liable for any such offence.

It is also an offence in the UK for an employee or an associated person to bribe another person in the course of doing business intending either to obtain or retain business, or to obtain or retain an advantage in the conduct of business, for the Company. The Company can be liable for this offence where it has failed to prevent such bribery by associated persons. As well as an unlimited fine, it could suffer substantial reputational damage.

Policy statement

All employees and associated persons are required to:

- Comply with any anti-bribery and anti-corruption legislation that applies in any jurisdiction in any part of the world in which they might be expected to conduct business
- Act honestly, responsibly and with integrity
- Safeguard and uphold the Company's core values by operating in an ethical, professional and lawful manner at all times.

Bribery of any kind is strictly prohibited. Under no circumstances should any provision be made, money set aside or accounts created for the purposes of facilitating the payment or receipt of a bribe.

The Company recognises that industry practices may vary from country to country or from culture to culture. What is considered unacceptable in one place may be normal or usual practice in another. Nevertheless, a strict adherence to the guidelines set out in this Policy is expected of all employees and associated persons at all times. If in doubt as to what might amount to bribery or what might constitute a breach of this Policy, refer the matter to your line manager or to the Company's Anti-Corruption Officer.

For the Company's rules and procedures in relation to the receipt of business gifts from third parties and corporate hospitality offered to or received from third parties, please refer to the Company's Gifts from Clients/Suppliers Policy and its Corporate Hospitality Policy. They form part of the Company's zero tolerance policy towards bribery and they should be read in conjunction with this Policy.

The giving of business gifts to clients, customers, contractors and suppliers is not prohibited provided the following requirements are met:

- The gift is not made with the intention of influencing a third party to obtain or retain business or a business advantage, or to reward the provision or retention of business or a business advantage
- It complies with local laws
- It is given in the Company's name, not in the giver's personal name
- It does not include cash or a cash equivalent (such as gift vouchers)
- It is of an appropriate and reasonable type and value and given at an appropriate time
- It is given openly, not secretly
- It is approved in advance by a director of the Company.

In summary, it is not acceptable to give, promise to give, or offer, a payment, gift or hospitality with the expectation or hope that a business advantage will be received, or to reward a business advantage already given, or to accept a payment, gift or hospitality from a third party that you know or suspect is offered or provided with the expectation that it will obtain a business advantage for them.

Any payment or gift to a public official or other person to secure or accelerate the prompt or proper performance of a routine government procedure or

process, otherwise known as a “facilitation payment”, is also strictly prohibited. Facilitation payments are not commonly paid in the UK but they are common in some other jurisdictions.

Responsibilities and reporting procedure

It is the contractual duty and responsibility of all employees and associated persons to take whatever reasonable steps are necessary to ensure compliance with this Policy and to prevent, detect and report any suspected bribery or corruption in accordance with the procedure set out in the Company’s Disclosures in the Public Interest Policy. You must immediately disclose to the Company any knowledge or suspicion you may have that you, or any other employee or associated person, has plans to offer, promise or give a bribe or to request, agree to receive or accept a bribe in connection with the business of the Company. For the avoidance of doubt, this includes reporting your own wrongdoing. The duty to prevent, detect and report any incident of bribery and any potential risks rests not only with the directors of the Company but equally to all employees and associated persons.

The Company encourages all employees and associated persons to be vigilant and to report any unlawful conduct, suspicions or concerns promptly and without undue delay so that investigation may proceed and any action can be taken expeditiously. In the event that you wish to report an instance or suspected instance of bribery, you should follow the steps set out in the Company’s Disclosures in the Public Interest Policy. Confidentiality will be maintained during the investigation to the extent that this is practical and appropriate in the circumstances. The Company is committed to taking appropriate action against bribery and corruption. This could include either reporting the matter to an appropriate external government department, regulatory agency or the police and/or taking internal disciplinary action against relevant employees and/or terminating contracts with associated persons.

The Company will support anyone who raises genuine concerns in good faith under this Policy, even if they turn out to be mistaken. It is also committed to ensuring nobody suffers any detrimental treatment as a result of refusing to take part in bribery or corruption, or because of reporting in good faith their suspicion that an actual or potential bribery or corruption offence has taken place or may take place in the future.

Record keeping

All accounts, receipts, invoices and other documents and records relating to dealings with third parties must be prepared and maintained with strict accuracy and completeness. No accounts must be kept “off the record” to facilitate or conceal improper payments.

Sanctions for breach

A breach of any of the provisions of this Policy will constitute a disciplinary offence and will be dealt with in accordance with the Company’s disciplinary procedure. Depending on the gravity of the offence, it may be treated as gross misconduct and could render the employee liable to summary dismissal.

As far as associated persons are concerned, a breach of this Policy could lead to the suspension or termination of any relevant contract, sub-contract or other agreement.

Monitoring compliance

The Company’s Anti-Corruption Officer has lead responsibility for ensuring

compliance with this Policy and will review its contents on a regular basis. They will be responsible for monitoring its effectiveness and will provide regular reports in this regard to the directors of the Company who have overall responsibility for ensuring this Policy complies with the Company's legal and ethical obligations.

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Training

The Company will provide training to all employees to help them understand their duties and responsibilities under this Policy. The Company's zero tolerance approach to bribery will also be communicated to all business partners at the outset of the business relationship with them and as appropriate thereafter.

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Examples of potential risks

The following is a non-exhaustive list of possible issues which raise bribery concerns and which you should report in accordance with the reporting procedure set out above:

- A third party insists on receiving a commission or fee before committing to signing a contract with the Company, or carrying out a government function or process for the Company
- A third party requests payment in cash, or refuses to sign a formal commission or fee agreement, or to provide an invoice or receipt for a payment made
- A third party requests an unexpected additional commission or fee to facilitate a service
- A third party demands lavish, extraordinary or excessive gifts or hospitality before commencing or continuing contractual negotiations or provision of services
- You are offered an unusually lavish, extraordinary or excessive gift or hospitality by a third party
- You receive an invoice from a third party that appears to be non-standard or extraordinary
- The Company is invoiced for a commission or fee payment that appears large given the service stated to have been provided.

There are multiple channels to help you raise concerns.

Staff who refuse to accept or offer a bribe, or those who raise concerns or report wrongdoing can understandably be worried about the repercussions. We aim to encourage openness and will support anyone who raises a genuine concern in good faith under this policy, even if they turn out to be mistaken.

We are committed to ensuring nobody suffers detrimental treatment through refusing to take part in bribery or corruption, or because of reporting a concern in good faith.

If you have any questions about these procedures, please contact the HR team.

- **Measurement of outcomes**
- **Description of how the company monitors and evaluates anti-corruption performance.**
- A process of evaluation is performed by reviewing the policy, directive and processes, risk assessment, diligence, implementation training and communication, monitoring and review of reporting systems. Our Compliance Team perform regular audits, and we are also subject to client audits.