



UNITED NATIONS GLOBAL COMPACT COMMUNICATION ON PROGRESS

Company	Brand Addition
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Contact Name	Kirsten Motyl
Contact Position	Group Quality & Compliance Manager
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Period covered by this Communication on Progress	05/02/2017 – 04/02/2018
Membership Date	16 th February 2007
Employees	368
Sector	Commercial

Brief description of nature of business

Brand Addition has a leading position in the market of providing creative, cost effective branded products to some of the world's most well known brands.

We have over 30 years' experience and from our operations in Manchester and London (UK), Hagen (Germany), Istanbul (Turkey), Dublin (Ireland), Hong Kong, Shanghai and Guangzhou (PRC) and St Louis, USA. Our team is dedicated to providing customers with the very best in creative merchandise solutions for their corporate marketing activities and consumer promotions delivering a consistent quality of products and services across our operations.

Our target audience is international businesses who are seeking to control their supply chain in line with their corporate values, generate cost savings through leveraging their spend and control their brand across multiple markets.

Statement of Support

Brand Addition will continue to maintain our support of the Ten Principles of the United Nations Global Compact in the areas of Human Rights, Labour, Environment and Anti-Corruption.

Our belief is to continuously improve in all areas, measure our improvements where possible and share expertise across our business.

In this annual Communication on Progress, we describe our actions to continually improve the integration of the Global Compact and its principles into our business strategy, culture and daily

operations. Brand Addition will also commit to sharing this information with our stakeholders using our primary channels of communication.

Signature



Name and Position Chris Lee, CEO

HUMAN RIGHTS

PRINCIPLE 1 BUSINESS SHOULD SUPPORT AND RESPECT THE PROTECTION OF INTERNATIONALLY PROCLAIMED HUMAN RIGHTS

An internationally recognised standard of Social Accountability, SA8000 provides us with a clear direction regarding the fair treatment of people and the environment in which we work. The requirements for certification are aimed at our business but also apply to our suppliers and how we work with them. In 2017 Brand Addition was audited to the new version of the SA standard, SA8000:2017 and recommended for continuation of our certification.

In addition to independent audits being carried out twice a year at multiple Brand Addition sites we carry out our own internal audits of our integrated management system. The aim of these internal audits is to ensure that we remain compliant and also continually review and improve our systems.

PRINCIPLE 2 BUSINESS SHOULD ENSURE THAT THEY ARE NOT COMPLICIT IN HUMAN RIGHTS ABUSES

Our European and Far East Factory Audit programs are well established and continue to ensure that factories and suppliers we are using in high risk countries do not contravene the principles of the ETI, ILO and SA8000. We audit factories, distributors and importers every 2 years or more frequently depending on risk. Corrective action plans are issued and followed up after each audit.

As our business grew in 2017 we applied these same principles to new markets ensuring that the same standards were withheld throughout the supply chain.

Every year Brand Addition issues its code of practice to all suppliers (Globally) ensuring that they are respecting all of their employee's human rights and commit to following this code of practice.

LABOUR

PRINCIPLE 3 BUSINESS SHOULD UPHOLD THE FREEDOM OF ASSOCIATION AND THE EFFECTIVE RECOGNITION OF THE RIGHT TO COLLECTIVE BARGAINING

Brand Addition operates an Employee Forum which consists of a cross section of employees from across the Manchester, London and Dublin sites. The employee forum is attended by senior management and issues raised are discussed and minuted with defined action plans where

appropriate. Employees at Brand Addition have always expressed a preference to deal personally with any issues or concerns as opposed to having a trade union. All employees as part of the induction process are notified of their rights with regard to freedom of association.

PRINCIPLE 4 BUSINESS SHOULD SUPPORT THE ELIMINATION OF FORCED AND COMPULSORY LABOUR

Brand Addition has been accredited the Investors in People status for the UK Operations in Manchester and London since 2009 and continues to be an integral part of our business. Our focus continues to support health and well-being initiatives, including flexible working, increased holiday entitlements, phased returns and team get-togethers.

The IIP standard provides a simple and flexible framework that is versatile, flexible, non-prescriptive, outcome based and recognises that every organisation is different and therefore needs to reach their end goals in their own way.

Brand Addition issued Slavery & Human Trafficking Statement in 2016 highlighting our due diligence processes which supports The Modern Slavery Act 2015.

In all on site vendor assessments conducted by Brand Addition we ensure that there is no evidence of forced or compulsory labour.

PRINCIPLE 5 BUSINESS SHOULD SUPPORT THE EFFECTIVE ABOLITION OF CHILD LABOUR

Within our supply chain we continue to audit factories in the Far East and other risk countries such as Turkey, Bangladesh & India using our own vendor assessment template built around the principles of SA8000 and the ETI Gap as guides to ensure compliance is met.

This is actively encouraged and reiterated during the European & Asia vendor audit programme through our tier 2 supply chains. This is an ongoing process and Corrective Action Plans are monitored. During our on-site assessments our team of trained ethical auditors thoroughly review employee records and conduct interviews to ensure that our suppliers are fully compliant.

PRINCIPLE 6 BUSINESS SHOULD SUPPORT THE ELIMINATION OF DISCRIMINATION IN RESPECT OF EMPLOYMENT AND OCCUPATION

Brand Addition is committed to promoting diversity and equal opportunities in employment. We will not support any form of unlawful or unfair discrimination on the grounds of colour, race, religion and/or belief, nationality, ethnic origin, gender, sexual orientation, HIV status, marital or family status, disability or age. We are proud to be a multi-cultural business that seeks new and exciting opportunities to offer to our talented team or new comers to the business.

Brand Addition develops and implements procedures and practices that provide equality of opportunity for both current employees and those applying for positions within the company. Brand Addition believes that its future success is dependent upon its workforce reflecting the composition, talents and skills of the community in which it operates.

Diversity and equality of opportunities within the company are consistently reflected in our decisions relating to the recruitment, selection, training, promotion, transfers, benefits and terms

and conditions of our employees. All decisions will be made on the basis of objective and job related criteria.

ENVIRONMENT

PRINCIPLE 7 BUSINESS SHOULD SUPPORT A PRECAUTIONARY APPROACH TO ENVIRONMENTAL CHALLENGES

Brand Addition continues to take a precautionary approach to environmental challenges via the Environmental Legislation Update Service. Brand Addition is notified by ELUS well in advance of changes to legislation and as such is well prepared to take on new challenges.

PRINCIPLE 8 BUSINESS SHOULD UNDERTAKE INITIATIVE TO PROMOTE GREATER ENVIRONMENTAL RESPONSIBILITY

Brand Addition is accredited to both ISO14001 & ISO50001 and is committed to minimising its impact on the environment. Through our annual management review and our environmental objectives we look to reduce our environmental impact through energy saving initiatives and through minimising waste

Brand Addition encourages staff to re-use and recycle where possible and we have various waste management activities to try to ensure that waste is correctly segregated. Energy management initiatives are carried out throughout the year looking to minimise our energy usage through education, close controls of our building management system and replacing old equipment with more energy efficient solutions.

PRINCIPLE 9 BUSINESS SHOULD ENCOURAGE THE DEVELOPMENT AND DIFFUSION OF ENVIRONMENTALLY FRIENDLY TECHNOLOGIES.

Brand Addition continues to look for ways to reduce energy consumption. In 2017 three of our old heating boilers were replaced with more energy efficient products allowing our Manchester site to reduce its gas usage by 43% over the usage in 2016.

Brand Addition managed to reduce its overall energy consumption by 8% over the course of 2017, mainly driven by the replacement of the heating boilers at the Manchester site but also by the replacement old strip lighting with more efficient LED solutions.

Initiatives will continue throughout 2018 to replace old lighting with more efficient LED lighting. In addition to this, Brand Addition is working to fully understand its carbon footprint using the CDP guidance and is currently going through an exercise to look at all areas of energy usage with a view to internally publishing its carbon footprint so that in future years this can be used as a benchmark for further reduction programs. In 2018 we have targeted a further 1% reduction in energy usage.

ANTI-CORRUPTION

PRINCIPLE 10 BUSINESS SHOULD WORK AGAINST CORRUPTION IN ALL ITS FORMS INCLUDING EXTORTION AND BRIBERY

Our code of practice communicates this message to our supply chain.

Our internal policies on bribery and corruption are held within our Integrated Management System and all employees are made aware of our commitment to social, employee and environmental issues as part of the induction program and periodic training. All of Brand Addition's policies and procedures are freely available to all employees to access at any time

All supplier gifts are saved and used for a staff Christmas raffle once a year. Proceeds raised are given to our nominated charity in that year.