



UN Global Compact Communication on Progress (COP)

Period covered by Communication on Progress:
From 16th July 2019 to 16th July 2020



COMMUNICATION ON
PROGRESS

This is our **Communication on Progress** in implementing the principles of the **United Nations Global Compact** and supporting broader UN goals.

We welcome feedback on its contents.



Cornelius

Delivering the Difference

cornelius.co.uk

UNGC Ten Principles

Human Rights

Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights;

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;

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.

Anti-Corruption

Principle 10: Businesses should work against all forms of corruption, including extortion and bribery.

Statement of Support for the UNGC Darren Spiby, Chief Executive Officer

To our stakeholders,

I am pleased to confirm that Cornelius Group 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 and its principles into our business strategy, culture and daily operations. We also commit to sharing this information with our stakeholders using our primary channels of communication.

Sincerely yours

- Darren Spiby, Chief Executive Officer



Explanation of vision statement
We are Cornelius: Delivering the difference!



Lead
→

We are committed to growth and continuous improvement



Our Vision For Cornelius

The Team Cornelius Vision is...

“A leading international manufacturer and distributor of inspiring products and exceptional services for the performance chemicals, health & nutrition and personal care markets.”

Each word has been carefully chosen to say something about our strategy

Manufacturer & Distributor: Our core business competency is in distribution; we serve the needs of our Principals with sales, technical and supply excellence. We also recognise that a vertically integrated manufacturing business model, for specialist, high value products adds value for our customers. We will selectively invest to grow in manufacturing own brand solutions, where it makes strategic sense to offer a complete solution.

Inspiring Products: We are committed to innovation and continuous improvement. We source fresh thinking solutions from the highest quality raw materials and ingredients partners around the world and intimately understand our suppliers' and customers' needs to stay ahead of market trends.

Exceptional Service: We truly care about our customers and deliver excellence in technical and regulatory support, backed by first class customer support and logistics. Our Customer Care Teams are responsible, accountable and committed, and ensure our customers are front of mind in everything we do.

Performance Chemicals: Focussed on technical excellence, we use our expert knowledge and commercial experience to research new additives, products and raw materials to support our customers' new product development needs in the Paints & Coatings, Plastics & Rubber, Construction Chemicals and Performance Materials sectors.

Health & Nutrition: The Cornelius Health & Nutrition team sources innovative food ingredients and additives for today's fast paced food and drink industry. Representing a range of leading manufacturers, Cornelius is in touch with the latest nutrition, taste, texture, aroma, colour and visual food and beverage trends and works closely with the bakery, sports nutrition, beverage, dairy & icecream sectors to deliver new product development innovation.

Personal Care: The Cornelius Personal Care Team delivers inspiring personal and animal care ingredients and additives for today's innovative care products sectors. In touch with the latest colour, texture, aroma and visual care product trends, Cornelius provides state of the art creative and laboratory facilities to support new product development processes and represents a wide range of leading manufacturers to deliver only the highest quality products with unrivalled service and support.



Our Mission...

We will achieve our vision by continuing to value our strong, caring relationships with our key stakeholders – our employees, customers, suppliers, industry bodies and communities. We have an enviable past and will deliver a sustainable future by delivering expertise, innovation and excellence in everything we do.



Our Values

Achievement
Excellence
Expertise

Forward Thinking
Relationships
Responsible



Achievement

We empower our employees to achieve their best at all times and we recognise success. We want to be an ambitious organisation that celebrates achievement.

Excellence

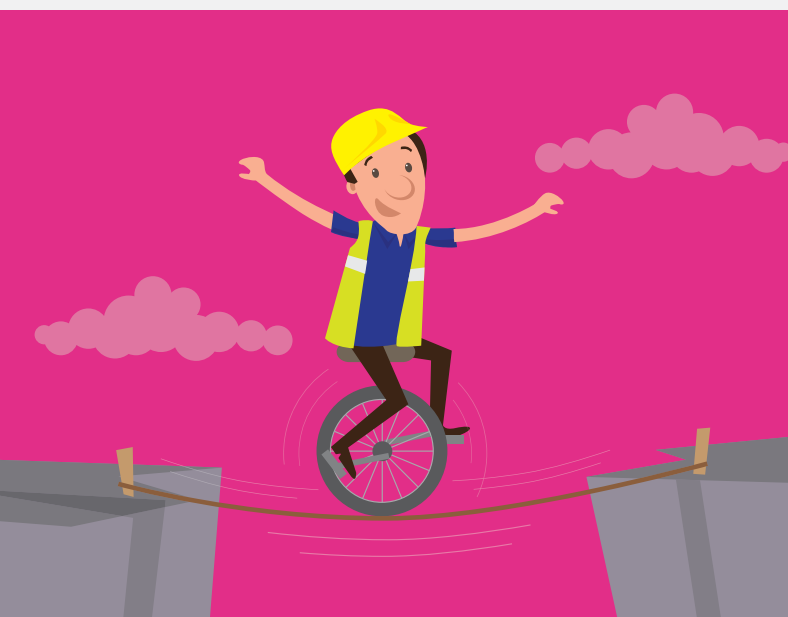
We want to be the best in our segment in the market. Business excellence is key to competitiveness, long-term relationships and our customers valuing our solutions.

We need to deliver excellence in everything we do.



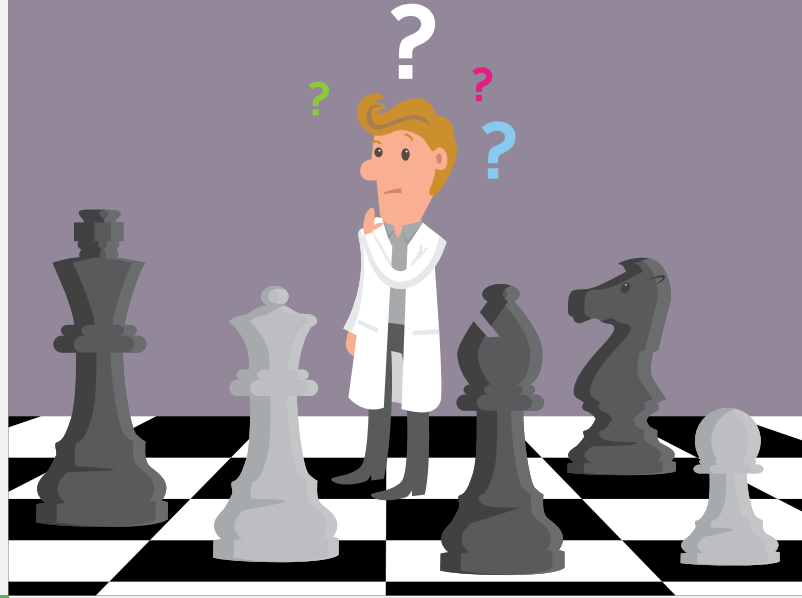
Expertise

We believe that being experts in all that we do makes the Cornelius difference. Be it technical, commercial or business functional expertise, our Principals and customers desire value added manufacturing and distribution solutions. We should apply our expertise to every activity in order to ensure we get it right, on time, every time.



Forward Thinking

Cornelius will not stand still. Our Vision is to be a leading international manufacturer and distributor. We will innovate, differentiate and engage. We will stay ahead of market trends and deliver next generation solutions for our Principals and customers.



Relationships

We value all of our relationships. We are a caring and committed organisation. We value all of our key stakeholders – employees and their families, principals, suppliers, customers, industry associations and communities.

Responsible

We are a responsible organisation and we expect our employees to be accountable; to take ownership of their roles and responsibilities.

For all of our key stakeholders to be satisfied, both inside and outside the organisation, we all have to be responsible and do the right thing.





Human Rights

Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights

Principle 2: Make sure that they are not complicit in human rights abuses

- *Cornelius conducts its business with high ethical values and in compliance with global laws*
- *It is the policy of Cornelius to be an equal opportunity employer, to compete fairly and operate with an impeccable standard of ethics*
- *Cornelius continues to support and enforce the Universal Declaration of Human Rights in all of our global operations*

Human Rights – Action & Implementation

- Cornelius fully complies with and supports, the Human Rights Act
- We are proud to be members of SEDEX, one of the world's largest collaborative platforms for sharing responsible sourcing data on supply chains. This allows us to make informed business decisions and to drive continuous improvement across our value chains
- We have a number of policies in place to ensure that we offer a rich environment for our employees, including equal opportunities, ethical trading and modern slavery policies
- We work with our partners in accordance with communicated ethical business policies and carry out regular reviews to ensure that all of our supply chain partners are trading ethically and complying with the Human Rights Act
- We have implemented a system of assessment for all service providers covering environmental management and legislative requirements
- We continue to work closely with our chosen charity, The Sparkle Foundation, and donating a total of £37,000 last year and a target of £52k in total for next year

Human Rights – Goals

- Cornelius is in the process of reviewing corporate social responsibility reporting to ensure that it accurately describes and measures its performance against key performance indicators
- Over the next year, a new corporate social responsibility and legislation assessment tool will be developed as part of an improved supplier/product on-boarding process



The Sparkle Foundation - Measurement & Outcomes

Supporting Sparkle - Cornelius pledges to make a difference in Africa

Cornelius is a proud supporter of The Sparkle Foundation - a charity that focuses on supporting struggling communities in Malawi, one of the world's poorest countries.

The Sparkle Foundation currently works with orphans and vulnerable children from 17 rural villages that - like much of Malawi - are struggling to overcome generations of economic and public health issues.

2018 Highlights:

- BioGlitter initiative - raised £6014 (target was 5K)
- Four Staff events raised £2392
- Volunteer hours: 200 hours (includes 40 hours based in Malawi)

2019 Goals:

- Bioglitter initiative - annual target increased to 10K target
- To run four staff fundraising events
- New volunteer programme launch
- Cornelius has committed to supporting two members of staff per year to volunteer for 7 days in Malawi

"I recently visited Malawi and had the chance to witness first-hand how Cornelius' Sparkle for Malawi campaign has impacted the local community.

As well as assessing our current projects with the foundation, the trip's focus was to identify areas where Cornelius can provide future help and I look forward to working with Sparkle to provide additional support"

- Dr. Neville Prior, Chairman, Cornelius Group





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
- Principle 6:** The elimination of discrimination in respect of employment and occupation

- *Cornelius has always adopted standards that are consistent with established and globally accepted labour requirements*
- *Ensuring employees are taken care of is one of our core values and we pride ourselves on our employee engagement and diversity*

Labour – Action & Implementation

- Cornelius audits all its suppliers regarding their employment practices
- All employees have signed contracts and salaries that exceed minimum wage standards
- Our employee handbook very clearly communicates to our employees their rights and responsibilities, along with mechanisms and ‘whistle blower’ provisions to ensure every single employee has a voice
- Employment law changes are regularly monitored
- Cornelius has not been involved in any investigations, legal cases or other relevant events in relation to the Global Compact Labour principles

Labour – Measurement & Outcomes

- Regular employee performance reviews are held at least twice a year, outlining objectives which consider values, H&S, Quality and team work
- Quarterly H&S committee meetings are held with representation taken from a cross section of the business. Ten employees attend these meetings which drive continuous improvement and help to shape H&S strategy
- An employee engagement survey was carried out with over 90% of the employees contributing to it. Results have been reviewed and published to staff and a plan of actions arising from the survey results has been implemented
- A new ERP (Sage X3) system has been implemented resulting in a companywide procedural review and comprehensive employee training plan

Labour – Goals

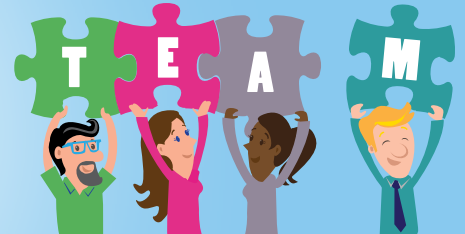
- Roll out an employee action plan based on the engagement survey results
- Develop a Cornelius Code of Conduct to set company expectations throughout the supply- chain and ensure that suppliers adhere to our principles and surpass global standards wherever possible

Employee Action Plan – 2019

Under our **OneCornelius** strategy, we have committed to the following:



OneCornelius



EMT* Commitment

- Quarterly Team Meetings
- Regular Breakfast Meetings
- New starter meetings with all of the EMT



*Executive
Management
Team



Training & Development

- Succession planning
- Job descriptions for all roles
- Training needs analysis and roadmaps for all roles
- All employees to have objectives which are reviewed twice yearly



We Listened...

A new mentoring programme will be rolled out in Q4. Further details will follow...



Salaries & Benefits

- Sessions run by our Benefits Provider
- New Benefits package available in Q4



Cross Functional Teams

3 Focus Areas:

- EMT communications
- Departmental & Cross functional communications
- Day-to-day communications



Commitment: Policies & Procedures

- We will review policies and procedures
- We will retrain employees on policies & procedures





Environmental

Principle 7: Businesses should support a precautionary approach to environmental challenges

Principle 8: Undertake initiatives to promote greater environmental responsibility

Principle 9: Encourage the development and diffusion of environmentally friendly technologies

- *Cornelius is committed to promoting environmental responsibility and utilising environmentally friendly processes where possible*
- *We want to minimise our environmental impact and to develop opportunities to do product distribution in the most efficient and effective way*

Environmental – Action & Implementation

- We comply with all relevant environmental legislation, best practice and guidelines
- Cornelius operates a policy of sustainable sourcing from its partners and has incorporated checks into supplier audits. We ensure that we do not source from locations or species at environmental risk
- Over 150 individual process assessments have been completed throughout the group's operation to understand our environmental impacts
- Cornelius actively encourages an environmentally conscious business culture to ensure that energy use remains as low as possible:
- Paper waste is recycled as packaging material
- We promote a paperless supply chain process wherever possible
- Energy efficient lighting is implemented throughout the business
- Cornelius has achieved ISO14001:2015 accreditation following a successful external audit. Reinforcing the company's commitment to driving exemplary environmental and quality standards, the accreditation covers distribution, logistical processes and associated activities and will be developed to incorporate manufacturing processes

Environmental – Measurement & Outcomes

- We continue to operate a modern company car policy that is continuously updated and includes a maximum emission level allowed to ensure that our vehicles have the smallest environmental footprint. The company car policy limits CO2 Emissions below 130 with Lex, chosen as our supplier

Environmental – Goals

- As technology develops, Cornelius will continue to investigate more environmentally-friendly distribution methods and in the short-term aim to identify appropriate carbon offset programmes to support our sustainability strategy
- The ISO14001:2015 accreditation will be extended to include our manufacturing operation, Cornelius Specialties. This is a huge investment which will involve a complete audit and overhaul of existing policies and procedures to ensure that the entire supply chain is adhering to the required standards



Anti-Corruption

Principle 10: Businesses should work against corruption in all its forms, including extortion and bribery

- *Cornelius does not tolerate corruption in any shape or form and has undertaken strict methods to ensure the compliance of all employees with these standards*

Anti-corruption – Action & Implementation

- We assess the risk of corruption when doing business and have anti-corruption and bribery policies that are issued and discussed at employee inductions and available in the employee handbook
- Cornelius group takes a zero-tolerance approach to bribery and corruption and is committed to acting professionally and with integrity in all its business dealings and relationships
- Anti-corruption and ethical behaviour is highlighted in contracts with business partners and suppliers

Anti-corruption – Measurement & Outcomes

- We are pleased to confirm that Cornelius has not been involved in any legal cases, rulings or other events related to corruption and bribery
- 100% of our business and supplier contracts include anti-corruption clauses

Anti-corruption – Goals

- Cornelius continues to work ethically, transparently and without violating the ten principles of the United Nations Global Compact and will seek to retain the utmost level of responsibility, reliability and anticorruption

We lead

We care

We deliver

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