

United Nations Global Compact
Communication on Progress 2019

Sharon Childs
FD and Head of Sustainability
The Sourcing Team Ltd

Statement by The Sourcing Team Ltd

To our stakeholders:

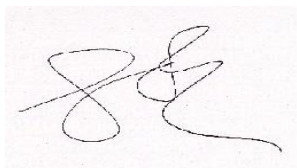
We are pleased to confirm that The Sourcing Team Ltd reaffirms its support of the ten principles of the United Nations Global Compact in the areas of Human Rights, Labour, Environment and Anti-Corruption.

Ethical sourcing, sustainability and compliance are embedded throughout our company culture and business process. In this annual communication on progress we share our achievements in these areas during the calendar year with a particular focus on how these achievements relate to the principles of the United Nations.

Year on year we investigate and invest in a continuous improvement program both up and down the supply chain, embracing transparency and partnerships and collaboration to drive improvement.

Last year we continued to develop our Beyond Audit programme focused on driving change down the supply chain. Our 2019-2020 supplier review process will also guide the 2020 programme and required action. The approach remains very much working in partnership, sharing our expertise and insights up and down the supply chain to drive positive action for both people and planet.

As a business we are totally committed to supporting the ten principles of the UN Global Compact. Our focus is on acting as a responsible business and as such these principles form part of everything we do. Sharon Childs our FD & Head of Sustainability leads our Green Team and she plays an integral part of driving our sustainability in awareness and actions.



Gill Thorpe FCIPS, Chartered
Chief Executive Officer – The Sourcing Team Ltd
December 2019

There is real urgency around in order to achieve the SDGs by 2030 and whilst The Sourcing Team been focused on a number of these over the last 6 years there is not enough awareness still about the goals and how organisations (SMEs, Corporations) and individuals can help to really drive the change that is needed locally and globally to deliver on these goals by 2030.

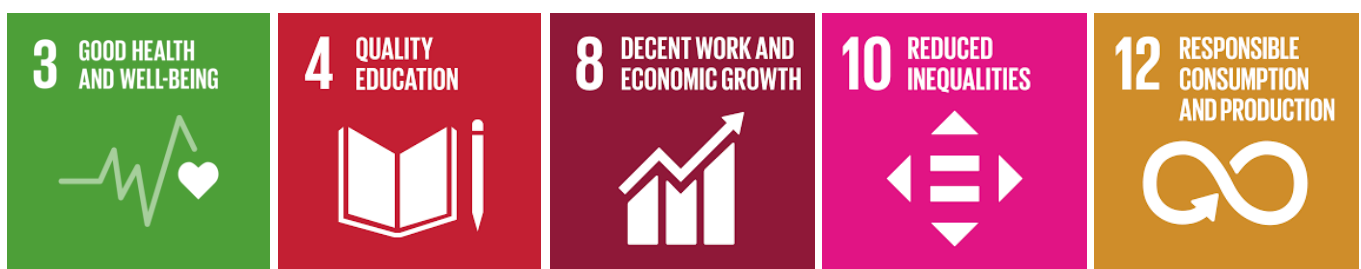
We talk about the goals to clients, supply partners, collaborative partners, internally, on our marketing communications and to friends, family because we have to spread the word and ask individuals, business and government to take action – the time of talk is over- this needs to be the decade of action for our people and planet.

 **SUSTAINABLE DEVELOPMENT GOALS**



What we have tried to do is to look at the goals and assess where we feel we have the most impact and where we can align goals to the business strategy and culture in order to take action on that goal.

The Goals we focus on are:



Human Rights and Labour

Principle 1

Businesses should support and respect the protection of internationally proclaimed human Rights

Principle 2

Make sure they are not complicit in human rights abuses

Principle 3

Business 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

As an ethical sourcing company, part of the promotional marketing industry we are aware of our impacts both up and down the supply chain. We take steps to have a positive impact on both people and planet, locally and globally. The buying of promotional products can be seen as a high risk area (low budget items, purchased from less developed markets) for that reason we developed a robust process to our sourcing and procurement of these materials, due diligence in our approach to factories, human rights, production materials, product safety and compliance.

Corporate social responsibility is built into all that we do at The Sourcing Team – it is not a policy; it forms part of the overall process of responsible business and in 'doing the right thing'. Whilst we have 24+ years of experience there is always more to learn and changes to be made in order to do things better and we commit time and money to ensure we are on a journey of constant improvement.

It is not just about our team but extends to the supply partners and their workers, ensuring their factories are appropriate, safe, good places to work, where workers are fairly treated. This is managed through our robust processes, audit reviews (via Sedex as a buyer/seller AB member) and a number of other tools we use to manage risk. This due diligence is vital to mitigate any forms of bad practice or indeed to identify risk of Modern Slavery, Forced Labour and Child Labour. We are fully committed to diversity and inclusion throughout the workplace and supply chain.

We are seeing a slight increase in client due diligence with regard to HRDD and sustainability and indeed we share insights with our clients to help drive better practices and awareness to issues for workers and the environment around the world. Our CEO, Gill Thorpe FCIPS, Chartered continues to champion human rights in the supply chain, awareness to climate change and issues around sustainability and diversity and inclusion in her voluntary work with her procurement institute CIPS on the Fellows Committee, WEConnect International as chair of the WBE Council support gender diversity in the supply chain and speaking at various sessions throughout the year on HRDD, Sustainability, Gender Diversity and Profit with Purpose.

We have a full range of policies to support our adherence to the Universal Declaration on Human Rights, which can be requested from sharonchilds@sourcing.co.uk

These policies include CSR statement, Equal Opportunities and Diversity Policy, Ethical Policy, Harassment policy, Staff Code of Conduct and Sustainable Policy to name a few. We annually review and update these policies in line change to reflect the ever-changing world in which we live. We strive to ensure they continue to be relevant and compliant to meet the needs of our diverse workforce, client and supplier partnerships.

We continue encourage worker voice and representation at all levels of the business. Previously, exploring and sharing benefits of workers committees and trade unions through our previous supplier engagement day with support of Community and Oxfam.

Key messaging from our policies includes:

- 'We are committed to ensuring within the framework of the law that our workplaces are free from unlawful discrimination on the grounds of colour, race, nationality, ethnic or national origin, sex (including gender reassignment), sexual orientation, marital status or disability'.
- 'We ask UK/EU factories to complete a self-assessment review questionnaire asking key questions around policy on ethical, environmental, discrimination and the use of child or forced labour. With factories outside the EU we carry out a factory audit to understand if those factories meet our required standards. Both UK, European and non-EU factories are reviewed by audits usually, via SEDEX SMETA 4 Pillar or similar.
- All staff are entitled to a working environment which respects their personal dignity, and which is free from objectionable conduct
- 'All staff have the right to join a Trade Union and to be represented by that union with regards to pay and working practices.'

How do we ensure implementation of the principles?

As a company we are committed to ensuring human rights across the supply chain. Our continued AB membership of SEDEX ensures continued transparency throughout our supply chain whilst reducing ethical audit fatigue and our ISO9001 management system ensures robust procedures for checking credentials of factories.

We continue to be a London Living Wage accredited employer as we firmly believe in paying our staff a living wage.

We also carry out our bi-annual supplier review to help us understand where our suppliers are on their CSR journey and where we can all share insights to ensure continual improvement.

All staff receive training on our business principles and understand the importance of ensuring these principles are always adhered to. This is backed by our range of policies which all staff read and adhere to

We have an open-door policy and designated senior staff to deal with any reported breaches of these principles.

We seek accreditations to help us benchmark our own progress and to facilitate continued improvement.



Goals for 2019 – What did we achieve?

- To keep short term absenteeism below 5% (2017 year was 2%) by continuing our health scheme which offers cash back on a host of preventative measures and supportive therapies.

This year we kept absenteeism below 1%

- Once our supplier review is complete, ensure that at least 80% of our turnover is with those supply partners

Although we are still analysing these results, we have done a major review of our supplier base and can confirm that just over 80% of our spend was with our core supply base.

- Enhance our supplier engagement with a further engagement day this year

Due to a number of reasons this was not possible, but our next event is scheduled in for late March 2020

Goals for 2020

- Run our 5th Beyond Audit programme session
- Heavily promote action for the SDGs within the supply chain
- Run a client and supplier engagement session driving awareness for HRDD, sustainable and D&I
- Further on gender equality down the supply chain

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.

As a smaller office-based facility, our immediate environmental impact is not as large as say, a factory or multi floored head office. However, we take our environmental responsibilities seriously, as demonstrated by our ISO14001 certification and our EcoVadis accreditation.

We have identified where we have an environmental footprint through our environmental risk awareness policy and put in place a series of measures to reduce this footprint. This includes staff training and awareness an active recycling policy across the business and reduced consumption on gas and electric.

We now obtain our gas and electricity from Ecotricity – one of the UKs greenest providers. The electricity is 100% renewables – wind and solar and the gas supply is carbon neutral. We are pleased to be able to utilise this green energy for our building. We also assessed our remaining carbon emissions through travel etc and offset these to make us carbon neutral via a gold standard scheme to provide fuel efficient woodstoves in Darfur

Where we have direct control over purchases – paper, cleaning materials etc. we buy recycled / sustainable alternatives from accredited schemes.

All business travel is kept to a minimum and public transport is used whenever possible. We prefer to conference call unless a face to face visit is necessary and group such meetings to obtain maximum benefit from the trip. There are no company owned or leased vehicles.

All our environmental impacts are monitored and measured as part of our ISO14001 and underpinned by our policies on Travel, Environment and Sustainability – all of which are available via the link on our website.

We are also actively looking at our product range to see where we can offer even more sustainable choices.

How do we ensure implementation of the principles?

We are independently audited annually as part of our ISO14001 certification. This ensures we continue to assess our impacts, identify improvements and set targets and measures. We pro-actively focus on a process of constant improvement, to continually reduce our environmental impacts. We also have our Ecovadis accreditation.



Goals for 2019 – What did we achieve?

- To have a greener energy supplier for both gas and electric in 2019

This has been achieved through Ecotricity with 100% renewable electricity and carbon neutral gas

- To further increase our sustainable product orders to 25% of our total order book

This year we managed 23% but expect this to further increase this year as our range expands

- To join B Corp as a member during 2019

This process is still ongoing – we are currently awaiting evaluation.

Goals for 2020

- Complete our BCorp Certification
- Increase our green orders to more than 25% of our turnover

Anti -Corruption

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

The Sourcing Team are opposed to all forms of bribery and corruption and this is underpinned by our Anti -Corruption Policy and our Staff Code of Conduct, both of which are signed by individual staff members. Copies of these policies are available via the link on our website.

Key messaging includes:

- The explicit setting out of what is acceptable in terms of hospitality/gift/charitable donation offers.
- An explanation of the terms Bribery and Corruption.
- The use of a benefits register to log all permitted hospitality.
- The procedure if breaches are suspected, including a link to Public Concern at Work, should the breach involve the public good.
- Rules concerning contract sign off.

How do we ensure implementation of the principles?

Ensuring all staff read, understand and sign the relevant policies with an annual refresh to ensure front of mind.

The use of a benefits register to log hospitality which is available for inspection during working hours.

Counter checking and signing of sales and purchase orders to agreed limits.

Ensuring our supply chain are fully aware of our policies and our support to them in compliance.

Refusing work in geographical areas where transparency is not possible or bribery is culturally acceptable.

Staff training including the use of the Transparency UK training module found at:

<http://www.doingbusinesswithoutbribery.com/>

Goals for 2019 – how did we do?

To remain vigilant and ensure staff and stakeholders are fully educated into the risks.'

We have continued to monitor and measure throughout our supply chain and continue to keep awareness to front of mind for staff.

Goals for 2020

- To have at least 3 team members pass the CIPS Ethics test by the end of 2020
- To share insights with our supply chain at our next supplier engagement event

What else have we achieved this year?

We continue to offer staff time off to volunteer for local causes/community projects close to their hearts. This year has included dementia awareness training, befriending an old person training, church activities and local school projects.

Our CEO Gill Thorpe has been particularly busy this year winning a socially minded award and a world of difference award for her work in gender equality.

Gill continues to work tirelessly on the CIPS Fellows Committee and as chair of WEConnect Europe. She has spoken at numerous events including Profit with purpose at MSDUK, How to build a network at WBENC and Does Sustainability Matter at the WEConnect Conference.

Other attendances by Gill and other team members include the Sedex stakeholder Forum, Sedex Empowering Responsible Supply Chains, SDGs Workshop, WBENC, WEConnect conference and One Voice – empowering women (UN Women UK).

We continue to do as much for charities as possible – including a Macmillan Coffee Morning and to donate to good causes through our partner Work for good,

We currently sponsor the education of a female through Plan International, donate a % of our profits on our reusable water bottles to Water Aid and support Microloans, Cool Earth and The Lord Mayor of London's Charity Fund through ad hoc donations during the year.

- Useful Links
- www.thesourcingteam.co.uk
- <http://www.doingbusinesswithoutbribery.com/>
- <http://www.transparency.org.uk/>
- <http://www.sedexglobal.com/>
- <https://cips-sustainabilityindex.com/>
- <http://www.macmillan.org.uk/Home.asp>
- <http://www.ecovadis.com/>
- [Work for Good - https://youtu.be/pTK2F6gSG1o](https://youtu.be/pTK2F6gSG1o)
- www.wateraid.org/uk/
- <https://www.ecotricity.co.uk/>
- <https://www.microloanfoundation.org.uk/>
- <https://www.coolearth.org/>
- <https://plan-uk.org/>

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