

UN Global Compact Communication on Progress (COP)

Period covered by Communication on Progress:
From 14th July 2021 to 14th July 2022



United Nations
Global Compact

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



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 Phillip Gibbons, Chief Executive Officer

To our stakeholders,

It has been an extremely challenging year. The occurrence of a global pandemic, managing BREXIT and the consequent new REACH regulations have driven an unprecedented level of change across our business and personal lives. Despite this, I am proud to lead a business that 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 improve the integration of the Global Compact and its principles into the business strategy, culture and daily operations at Cornelius Group. We also commit to sharing this information with our stakeholders using our primary channels of communication.

Sincerely yours

Phillip Gibbons,
Chief Executive Officer

Our Vision

To be a leading international manufacturer and distributor of inspiring products and exceptional services for the life sciences and performance chemicals markets.

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



We lead

Be innovative
and ambitious
Be nimble
and flexible
Be insightful
and proactive



We care

Be passionate
and have fun
Be collaborative
and connect
Be helpful
and supportive



We deliver

Communicate
openly and honestly
Focus on
customers first
Take initiative
and deliver



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.



Life Sciences:

The Cornelius Life Sciences team delivers innovative and inspiring ingredients and additives for today's personal care, food and beverage and ocular and dental markets. Working closely with leading manufacturers, Cornelius is in touch with the latest nutrition, taste, texture, colour, aroma, visual and technical trends across all these industries to deliver exciting new product development innovation to the highest standards. Additionally, state-of-the-art creative and laboratory facilities enhance new product development processes further, providing manufacturers with unrivalled service and support.



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

- In compliance with global human rights principles, Cornelius ensures all business is conducted to reflect its high ethical standards
- Cornelius is an equal opportunity employer, operating with an impeccable standard of ethics that defines fairness, respect, integrity and trust
- Cornelius remains an advocate of the Universal Declaration of Human Rights and continues to enforce and respect these laws across its global operations

Human Rights – Action & Implementation

- Cornelius continues to support and fully complies with the Human Rights Act
- As proud members of one of the world's largest collaborative platforms on supply chains, SEDEX, Cornelius can leverage responsible sourcing data and identify opportunities to make informed business decisions. By encouraging sustainable business practices in line with SEDEX, Cornelius drives continuous improvements across its value chains
- Cornelius has several policies in place to ensure that it offers a rich environment for all employees, including equal opportunities, ethical trading and modern slavery policies
- The company works with its partners to ensure policies are well communicated throughout the supply chain. As such, Cornelius performs regular reviews to ensure that all supply chain partners are trading with the highest ethical standards and remain in compliance with the Human Rights Act
- The board of directors has adopted a new focus on Environmental, Social and Governance practices (ESG). As part of an ongoing focus to deliver best governance practices, a full board effectiveness review was carried out during the last year, which was facilitated by an external expert. While the review found the board to be effective, further actions have been identified to deliver further improvements



- Cornelius continues to work closely with its chosen charity, The Sparkle Foundation, as well as a number of local community organisations, and has donated over £50,000 within the last year in corporate donations and through its Giving Fund – a voluntary employee-led initiative to raise funds for the charity. This means the charity has been able to continue its excellent work locally and in Malawi, despite the challenges presented by the pandemic. More details can be found on our work with Sparkle on page 7.

Human Rights – Goals

- Cornelius continues to focus on corporate social responsibility reporting, ensuring that it accurately describes and measures its performance against key performance indicators
- Over the next year, the actions identified from the board effectiveness review will be implemented to deliver continued improvements



THE SPARKLE FOUNDATION™



✦✦ *Creating brighter futures*



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, orphans and vulnerable children in Malawi – one of the world's poorest countries.

To enable the children to shine bright and sparkle every day, Cornelius set up 'The Giving Fund', a voluntary initiative that is led by a small group of committed employees, which aims to raise vital funds for the Foundation, complementing the donations made corporately by the company. Due to the team's fantastic efforts to bring staff, friends, families and communities together, the Cornelius Giving Fund has raised over £3868 in 2020 through the following events:

- **The BioGlitter Initiative** – Cornelius donated a percentage of all sales of its sustainable bioglitter range, raising **£2,937 in 2020**
- **Three staff events raised £831**, including a 'charity chop' event that was in association with both the Sparkle Foundation and NHS Charities
- Cornelius staff logged a total **99.5 volunteering hours** for the charity

“Our partnership with The Sparkle Foundation has helped educate more than 800 children, serve 66,000+ meals and treat nearly 5,000 medical cases.”

Dr. Neville Prior, Chairman and Director of Cornelius Group

The Cornelius Giving Fund also launched a new volunteer programme that aims to support two members of staff per year to volunteer for seven days in Malawi when travel conditions allow.

“Our partnership with The Sparkle Foundation has helped educate more than 800 children, serve 66,000+ meals and treat nearly 5,000 medical cases. Having visited Malawi and seen first-hand the impact Cornelius has made to the local community, it truly is an experience I will never forget,” said Dr. Neville Prior, Chairman and Director of Cornelius Group, and a trustee of the Foundation. “Every day, we take our life and its little luxuries for granted. Yet Malawians find joy and happiness in the smallest of things, despite the additional hardships in light of the pandemic. By supporting Sparkle, every employee at Cornelius is truly making a difference to the people in Malawi, and I look forward to continue providing support now and in the future.”

Visit the Cornelius website to see
The Giving Fund's latest work
and fundraising activities
www.cornelius.co.uk/csr



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
- As one of the company's core values, Cornelius ensures employees are taken care of, fully appreciated and actively encourage and promote employee engagement and diversity

Labour – Action & Implementation

- Cornelius continues to audit all its suppliers regularly regarding their employment practices
- All salaries exceed minimum wage standards and all employees have signed contracts, confirming these in writing
- The employee handbook clearly communicates to the company's employees their rights and responsibilities. To ensure every employee has a voice, processes are in place that offer



equal opportunities, alongside 'whistle blower' provisions

- Employment law changes are regularly monitored
- Cornelius has never been involved in any investigations, legal cases or other relevant events in relation to the Global Compact Labour principles

Labour – Measurement & Outcomes

- Cornelius wants to inspire its employees. Regular employee performance reviews are held at least twice a year, which outline objectives and consider values, health and safety, quality and teamwork
- A staff engagement survey was carried out in April. As a result of the latest survey, Cornelius received 'one to watch' accreditation status on the Best Companies index score, further demonstrating that the company has 'good' levels of engagement
- Health and safety committee meetings are held quarterly, with representation taken from a cross section of the business. In light of recent events, covid management and COVID KPI measures have been added as agenda items
- A Sage X3 management information system was implemented in both the UK manufacturing business and the distribution business in Poland – a highly successful move for the business in 2020
- Cornelius implemented a new digital approach to health and safety reporting and training. This was created as part of a new cloud-based reporting and training system process, allowing the business to roll out and standardise its approach across the group locations

Labour – Goals

- Cornelius aims to roll out an employee action plan based on the latest engagement survey results
- Over the coming year, Cornelius will continue to listen to employee feedback and put in place plans to increase engagement across all sites, with an aim to achieving 'One Star' accreditation at the time of its next survey

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 a sustainable environment, taking responsibility for its global actions and implementing environmentally friendly processes where possible.
- In the coming months, the company will form Environmental, Social and Governance (ESG) criteria to deliver a set of standards that considers all environmental aspects, encouraging both the business and its employees to take ownership of actions
- The company is aiming to minimise its environmental impact year-on-year by spearheading opportunities to deliver product distribution in the most efficient and effective way

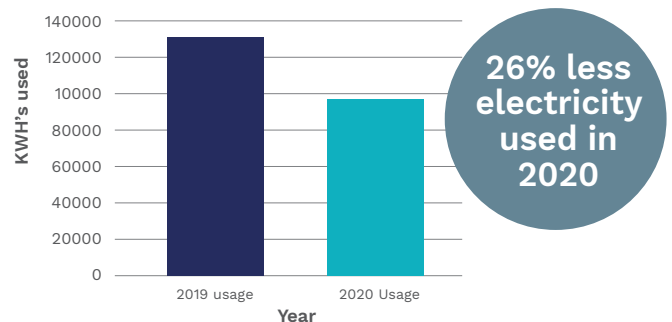
Environmental – Action & Implementation

- The company aligns its business processes with all relevant environmental legislation, best practice and guidelines
- To ensure that the company does not source from areas or species known to be at environmental risk, Cornelius operates a policy of sustainable sourcing from its partners and has incorporated checks into supplier audits
- More than 150 individual process assessments have been completed throughout the company's operation to understand environmental impacts
- To ensure responsible energy consumption, Cornelius actively encourages an environmentally conscious business culture. Actions that have been taken are as follows:
 - Paper waste is recycled as packaging material
 - Successful implementation of new ERP platform allows digitalisation of processes to promote a paperless supply chain process wherever possible
 - Energy efficient lighting is implemented throughout the business
- In April, Cornelius successfully retained the ISO14001:2015 accreditation with Lloyds register. The audit took place remotely over two days and was split between activities in both UK distribution and UK manufacturing

Environmental – Measurement & Outcomes

- Achieved zero minor non-conformances during ISO14001:2015, leaving the company in a great position to progress its efforts further in environmental management
- 58% less fuel used in company travel throughout 2020, mainly owing to COVID

Total Woodside electricity usage



- 17% less paper cost
- Two new digital platforms implemented across the group to deliver a safer environment:
 - Notify – an accident & near miss reporting platform
 - Safetyhub – a dedicated HS&E training platform, providing foundation learning for all staff across the group whether based in an office, warehouse or factory



Environmental – Goals

- Following the COVID pandemic, Cornelius understands that many of its employees would like to reduce their time commuting to offices and embrace the flexibility of smart working to benefit the environment. The company will continue to monitor the benefits of smart working throughout the year and will assess its impact on the environment and business periodically
- To develop and implement safer working environments and reduce overall environmental impact, a full-time HSE professional has been employed at our UK manufacturing site. This role will drive focus on positive employee behaviours and culture, acting as a primary point of contact for all matters relating to HSE

“Health and safety remain paramount to Cornelius. This year has seen big changes made to our processes with the launch of a new HS&E strategy to focus on predictive hazard management. To drive further employee engagement and cultural change, we are looking to employ a new full-time HSE professional at our UK manufacturing site. In addition, we have also implemented two new digital platforms – Notify, an accident and near miss reporting system, and SafetyHub, a newly dedicated HS&E training platform. All of these changes, combined with KPIs spanning the next three years to measure our progress, will ensure Cornelius can continue to promote a safe working environment year on year.”

**Simon Moran, Group Health & Safety
Manager, Cornelius Group**

Anti-Corruption

Principle 10

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

- Cornelius has a zero-tolerance policy to corruption and enforces rigorous methods to ensure employees adhere to these standards at all times



Anti-corruption – Action & Implementation

- When conducting business with partners and acquiring new business, Cornelius assesses the risk of corruption and follows the anti-corruption and bribery policies in place. These policies are discussed at employee inductions and are available to be accessed on demand via the employee handbook
- The company prides itself on professional integrity and has a zero-tolerance approach to bribery and corruption, ensuring transparency in all trade deals and business relationships
- Business partners and suppliers understand the company's stance on anti-corruption and ethical behaviours, with policies clearly communicated in legally-binding contracts

Anti-corruption – Measurement & Outcomes

- Cornelius has never been involved in any legal cases, ruling or other events related to corruption and bribery
- 100% of the company's business and supplier contracts include anti-corruption clauses in legally-binding contracts

Anti-corruption – Goals

- Cornelius continues to work ethically, transparently and without violating the ten principles of the United Nations Global Compact. In addition, the company will seek to retain the utmost level of responsibility, reliability, and anticorruption now and in the future

New Initiatives for 2021



Wellbeing Programme

Cornelius recognises that employee wellbeing is vitally important in the workplace. To be healthy and feel healthy is to look after one's whole self. As a company that cares, it is important for us to acknowledge the health and wellbeing of our employees to create strength, resilience, and support where it is needed the most.

This means we must take time for our wellbeing by making it a part of our life and work. It is why Cornelius has created a holistic approach to wellbeing, encouraging a healthy lifestyle for all in four key areas; emotions, body, mind and relationships. Activities focusing on these core areas are implemented throughout the year and are available to all employees.

Smart Working

With the introduction of Smart Working, Cornelius encourages employees to work from the right place at the right time.

Where possible, we empower employees to vary their working location and hours on a daily or weekly basis, so they are happier, more productive in their roles, and can reduce their impact on the environment with less commutes. This enables our employees to take ownership and decide the best way to find their work-life balance, making Cornelius an even better place to work.



Learning and Development

Cornelius has partnered with LinkedIn Learning – an online tool – to help employees advance their careers by offering a range of online videos, long and short courses and podcasts for flexible learning.

Whether you are learning to become a committed ally in Pride Month, or would like to advance your critical thinking and problem solving, or by discovering how to create a positive customer experience, Cornelius is committed to developing its employees at every opportunity.



Cornelius Group Plc

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