

## UN Global Compact Communication on Progress 2021

### Statement of Continued Support

To our stakeholders:

Ethical Screening was proud to become a signatory to the United Nations Global Compact on 01/01/2021. We re-affirm our support of the Ten Principles of the UN 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 integrate the principles of the UN Global Compact into our business strategy, working culture and daily operations.

We also commit to sharing this information with our stakeholders using our primary channels of communication.

Yours sincerely,



Michael Head, Managing Director

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## Description of Business

Since 1998, Ethical Screening has been providing research, analysis and guidance to enable individuals, charities, financial advisors, and investment managers to screen companies for investment portfolios and funds.

At present, we offer research that identifies corporate involvement in activities which present ethical concerns; data on a range of key performance indicators on environmental, social and governance (ESG) issues; and highlight positive corporate activities that contribute to the UN Sustainable Development Goals; all of which can be integrated into our clients' investment strategies and decisions.

## Description of Actions

### Human Rights

Ethical Screening is committed to respecting and promoting internationally recognised human rights such as those set out in the UN Declaration on Human Rights, both within our own company and through our wider business activities.

#### Supporting our colleagues

Our direct operations are based in leased offices in the UK and considered to be low risk in nature. However, even in an office or home working environment, health and safety is an important issue particularly when employees spend several hours a day sitting at a computer. We maintain an internal Staff Handbook which contains a range of well-established policies to protect and support employee safety and well-being. These policies include: Dignity at Work, Equal Opportunities, Stress at Work, and Health & Safety. Ethical Screening also offers free eye care checks and provides equipment such as back, foot and wrist rests to ensure that staff can work as comfortably as possible.

During the pandemic, Ethical Screening introduced a Covid-19 policy and necessary protocols in order to minimise Covid-related risks in the workplace. We have also taken measures to ensure that making the transition from office-based working to working remotely from home was as easy as possible for our team. Each member of staff has undertaken a health and safety risk assessment of their home working environment in order to identify any potential hazards. As well as providing all IT equipment, Ethical Screening pays for the costs of home office furniture where needed.

#### Managing supply chain risks

In 2021, we published our second [Modern Slavery Statement](#). As a small company, Ethical Screening is currently exempt from the legal requirements of Section 54 (1) of the UK Modern Slavery Act 2015 (MSA) however, we are committed to doing business as responsibly as possible and have therefore undertaken a number of measures to better understand and minimise the risks that may be present within our supply chain.

Ethical Screening does not currently have any suppliers or business partners based in higher risk jurisdictions as defined by the international human rights group Walk Free's Global Slavery Index. In FY 2019/20, we identified our top 25 suppliers (by expenditure) and assessed which had recognised and taken relevant measures to address any potential modern slavery risks within their supply chains. Ethical Screening contacted a number of suppliers where this information was not publicly available.

Due to the Covid-19 pandemic, Ethical Screening's primary supplier mix changed on the basis of requirements for working from home for many of our employees. One particular supplier (a high street

department store chain) was used to facilitate the move to remote working at short notice, and through its retail of computer hardware, was linked to a high-risk industry sector. Both the high street chain and hardware manufacturer have published comprehensive Modern Slavery Statements, which comply with the guidance set out in the MSA.

### **Measurement of Outcomes**

- *In 2021, three members of staff completed Emergency First Aid at Work training with an accredited local organisation.*
- *During the year, three new members of staff completed an e-learning course from [Stronger2gether](#) on tackling modern slavery in businesses.*

## **Labour**

Ethical Screening is committed to upholding the principles set out in the ILO Declaration on Fundamental Principles and Rights at Work.

In addition to the Managing Director, the company has twelve members of staff; six men and six women. We are committed to doing right by our colleagues and offer a competitive pay and benefits package alongside generous sick-pay provisions and an income protection policy. All employees' pay exceeds the UK National Living Wage. The policies contained within the Staff Handbook are routinely updated in line with changes in UK employment law and legislation. We engage with our employees on a regular basis in order to promote an open and collaborative working culture.

### **Measurement of Outcomes**

- *Ethical Screening has never been subject to any investigations, legal cases, rulings or any other labour-related issues.*
- *In 2021, we revised our Flexible Working Hours policy to help ensure an improved work-life balance for our team. Ethical Screening also reviewed its pay structures and salaries to ensure that they are aligned with market rates. In addition, we updated our Paternity policy in order to offer extended leave (up to 25 days per year) to new fathers.*

## **Environment**

Environmental responsibility is not only a core component of our research but also something that we strive to achieve ourselves. The impacts of our office-based operations relate primarily to energy and water consumption, the use and disposal of office materials, and staff travel. We recognise that our day-to-day practices and purchasing decisions allow us to minimise or mitigate some of these impacts. Ethical Screening's [Corporate Social responsibility \(CSR\) policy](#) outlines the measures that we have implemented to reduce our environmental impacts - our efforts focus on the efficient use of energy and resources, sustainable travel, and the reduction and recycling of office waste.

Our waste management supplier, PrintWaste, is a certified member of The Recycling Association. The company has implemented an environmental management system that is certified to the international standard ISO 14001 and operates a Zero Waste to Landfill policy.

In 2019, Ethical Screening published a [Climate Emergency Declaration](#), in which we committed ourselves to doing all we can to address the climate emergency within our spheres of influence. The sourcing of renewable energy and use of carbon offsetting are key measures in our approach to reducing and mitigating the climate impacts of our direct operations.

### **Measurement of Outcomes**

- *In 2021, 100% of the electricity used in our office continued to come from renewable sources while gas is purchased from a supplier of carbon neutral gas.*
- *The majority of our staff either walk, cycle or take public transport when travelling to the office. We did not need to offset any carbon emissions related to business flights as none were taken during the year. Ethical Screening has committed to offsetting all the carbon emissions associated with our employees' personal travel by year-end 2021.*
- *In February 2021, six of our colleagues spent a day volunteering with the charity [Farming & Wildlife Advisory Group \(FWAG\) South West](#) in Andoversford. The team planted around 700 trees to create a new hedgerow as part of FWAG South West's 'Upper Thames and Hedge Planting' project.*

### **Anti-Corruption**

The company operates an Anti-Bribery Policy, in which it commits to; taking a zero-tolerance approach towards bribery and corruption; and to acting fairly and with integrity in all of its business dealings and relationships. Ensuring compliance with this policy is a directorial duty. There is also a Gifts from Clients or Suppliers Policy in place, which ensures that no employee acts in any way that is inconsistent with the integrity of the business by accepting a gift in circumstances where it could influence, or be seen to influence, that employee's business decisions or actions.

Our standard contracts with clients contain clauses covering Anti-Bribery & Corruption (as well as Modern Slavery).

We also promote responsible business practices through membership of organisations and initiatives such as the [UK Sustainable Investment & Finance Association \(UKSIF\)](#) and the UN-backed [Principles for Responsible Investment \(PRI\)](#). In 2021, we achieved accreditation to the [Fair Tax Mark](#) standard for the third consecutive year.

### **Measurement of Outcomes**

- *Ethical Screening has never been subject to any investigations, legal cases, rulings or any other corruption or bribery-related issues.*

**For further detail about the content of this document, please contact:**

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