SALTERBAXTER

COMMUNICATION ON PROGRESS 2020



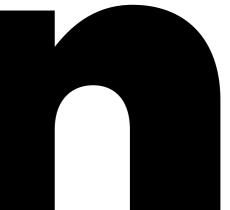
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Section One

SALTERBAXTER AN MSL COMPANY | UN GLOBAL COMPACT COMMUNICATION ON PROGRESS 2019

Section One // Our business and impact Who we are and why we are here



of sustainability consulting experience

Salterbaxter is a leading creative consultancy that specialises in sustainability and reporting. We deliver positive growth for our clients by making sustainability creative, tangible and actionable.

We offer an end-to-end service from sustainability strategy to stakeholder and consumer engagement via a wide range of creative communications outputs.

We are a multi-discipline agency and have experts in sustainability, creative strategy, design, branding communications, client service and production all under one roof.

71% of our clients in 2020 were from outside the UK





Statement from our leadership



We have lived and worked through an unprecedented time of global disruption.

When the COVID-19 pandemic hit, we all transitioned to remote working and started to rely on digital interfaces, suddenly compelled to consider the 'real world' impact of our work from new perspectives.

At Salterbaxter we were even more compelled to fulfil our purpose of making sustainability creative, tangible & actionable – our goal since the pandemic has been to help our clients turn the crisis into a new era for sustainability; to help 'build back better', to ensure that the current consumer support for sustainability was not lost but continued to take hold as a new normal, and continued to promote the importance and influence of stakeholder dialogue.

At Salterbaxter we live by our values, including open dialogue and collaboration. These were more important than ever during times of isolation as a result of the pandemic, both for our colleagues as well as our clients. As such, we launched multiple initiatives to stay connected, from internal knowledge sharing platforms, webinars and blogs, to our client webinar series 'SB Connected'.

We were glad to see that the industry did not shy away from its sustainability and climate ambitions in this turbulent year, even though it was hard to push for change when searching for stability, and hard to prioritise investment through a global recession. We saw an opportunity here, the pandemic brought about a new paradigm for change with it. At Salterbaxter we are more than ever determined to shift from helping businesses be a force for good to becoming a force for change.

The same is true for the Black Lives Matter movement ignited in May 2020; as sustainability continues to be a predominantly white, upper middle-class specialism. The strategies that emerge from this group will carry inherent bias through their sustainability programmes and communications. We understood this needs to change. We are now pushing to shift from being 'not racist' to being actively anti-racist, looking to every aspect of our business and our thinking to make structural change, keeping tabs on the effectiveness of that change and challenging ourselves harder.

Last but certainly not least, I want to acknowledge the extraordinary resilience and dedication demonstrated by the Salterbaxter employees. It has been an honour being at the helm of such an incredible team of people.

We look forwa progress.

Kathleen Enright Managing Director

"Our goal since the pandemic has been to help our clients turn the crisis into a new era for sustainability"

We look forward to driving forward a new sort of

Section One // Our business and impact **Thought leadership: Knowledge Sharing**

At Salterbaxter we are driven to share our knowledge widely, to lead the charge on making sustainability as accessible as possible.

Our team regularly contributes to thought leadership and we thrive on staying ahead of the latest thinking, seeking to inspire our clients to achieve the most positive impact possible.

In 2020, as part of our culture of continuous learning and knowledge sharing, we continued to share a series of blog articles, covering everything from the impacts of COVID-19 on reporting to insights for maximising ROI on ESG.

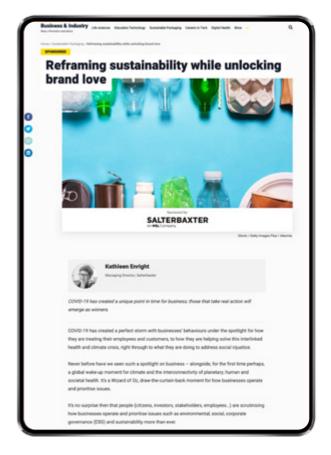
Salterbaxter was also featured in the Guardian's Sustainable Packaging publication with an interview from Kathleen Enright on the need to reframe sustainability; with businesses focusing on real change and proof of action; not the extremes of technical detail or vague slogans.

- Read the full article here

Last, but not least, we launched the Salterbaxter Knowledge Bank (SBKB) internally to leverage our collective knowledge and to empower everyone across the business to share their knowledge with others. Our approach includes a reboot to our lunch and learns, an online knowledge hub, a monthly synthesis of news in the format of a newsletter and a structured approach to sharing insights and updates via Microsoft Teams.







Section One // Our business and impact **Thought leadership: Staying Connected**

In April 2020, as the world adapted to life in lockdown, Salterbaxter launched SB Connected, with the intention of helping companies to stay connected with the fast-evolving sustainability space.

SB connected is a series of online discussions aimed at enabling major brands who face similar challenges to share best practice with each other, and potentially find partners who can help accelerate their sustainability agendas. Aside of bringing in practitioners and external experts, these sessions provide valuable insights on emerging developments in sustainability and also provide a platform for open discussion, as they are facilitated by Chatham House rules. These webinar sessions have proved a valuable opportunity for many of our clients and contacts.

We continue to run these Connected sessions in 2021.



Our 2020 sessions included:

- ESG reporting: what 'could' good look like?
- COVID-19: Employee Engagement and Sustainability
- Towards better TCFD Disclosure



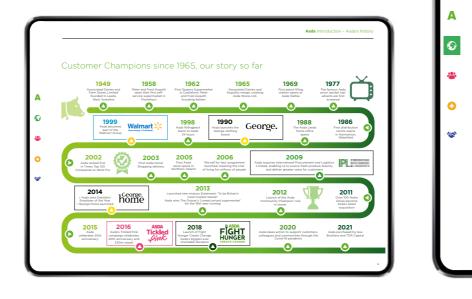
Section One // Our business and impact **Showcasing ASDA's ESG efforts through** reporting

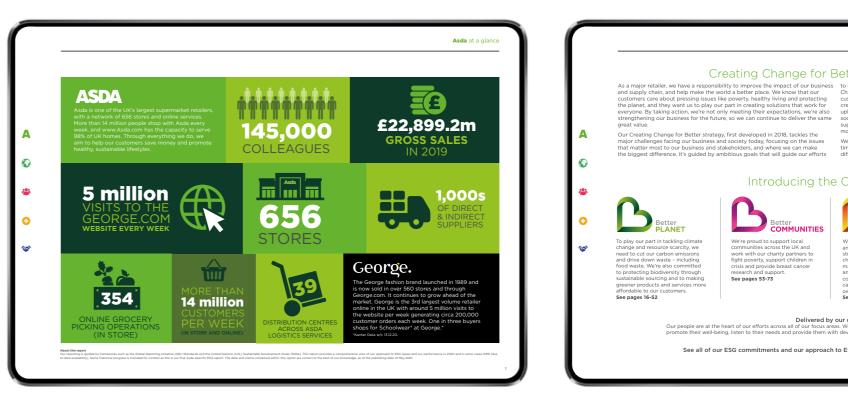
Asda have been making progress across ESG topics for years, however, until 2021 they had never produced a stand-alone ESG report to showcase their efforts as ESG activity was reported on within the broader parent owner, Walmart Inc report. Now, since the Issa Brothers acquired Asda in early 2021 this year with the private equity firm TDR Capital. Asda has benefited from having more autonomy on ESG governance and communication.

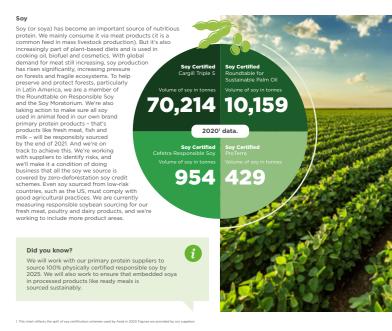
We were tasked with creating their first ESG Report to highlight the rich heritage and the great work achieved through their Creating Change for Better programme historically and looking to the future with their new commitments and initiatives. This included new commitments to support their 'Greener at Asda' price promise and great stories such as the successful Middleton Sustainability store trials. We also provided strategic advice on their current commitments and how to improve them. We lead on the content collection, report structure, key messaging and copywriting. Helping to connect their strategy and historical progress with their four strategic pillars, commitments, progress data and case studies.

To produce the PDF report and online web pages we collaborated with Asda's design studio. In partnership with the central ESG team at Asda we helped to connect the wide set of internal experts to produce a comprehensive and engaging report.

When released the report received positive PR from media outlets such as Business Green and amplified the message that Asda is well positioned to help customers make greener, healthier and more responsible choices.



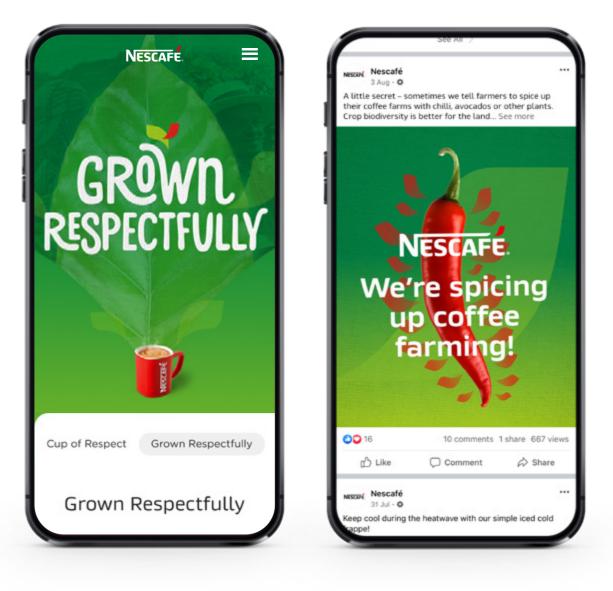




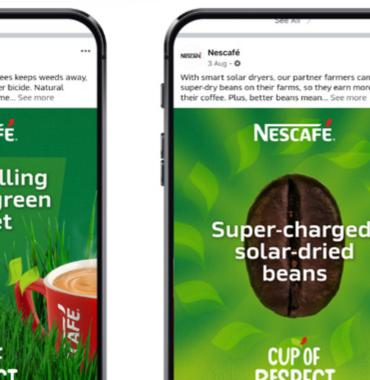
Bringing a corporate sustainability strategy to life for Nescafé

Four years ago, we helped NESCAFÉ take the NESCAFÉ Plan to consumers. With a decade plus of proof of action with coffee farmers, they had an amazing story to tell but needed help transforming brilliant but dry, uninspiring content.

To engage consumers, we connected all sustainability actions with the NESCAFÉ product, the 'Cup' in your hand, the taste in your mouth - Cup of Respect. This also worked to enhance taste and quality perception. Beneath this we developed the wider messages starting with Grown Respectfully, Made Respectfully, Packaged Respectfully, Enjoy Respectfully. To stand out against competitors we developed a differentiated identity and story telling. We created a global toolkit which was launched across all 189 markets.







Mapping out sustainability to 2030 for Mondi

With the world waking up to the waste crisis, global sustainable packaging and paper group Mondi was looking to build on its successful Growing Responsibly model and prioritise action in the decade ahead. We worked with the team at Mondi over a 12+ month period to define and develop a forward looking sustainability strategy that inspires collaboration across departments and geographies in line with Mondi's purpose. And so MAP2030 (Mondi Action Plan 2030) was born.

Our work started with deep research and insights gathering, peer benchmarking and a materiality assessment, which engaged stakeholders from within and outside the business, to uncover the most important issues. We then worked with the Sustainability and Corporate Communications teams on an ambition setting process that led us to three focus areas - Circular-driven solutions, created by Empowered people, taking Action on climate. These three action areas are built on a set of Responsible Business Practices. Once the focus areas were signed off, we held several working sessions with the relevant teams and functions across the Group to develop commitments and targets. To put those in practice we also developed detailed roadmaps, which were further developed by each part of the business. Alongside this, was our work to name and position the strategy, MAP2030, so that it is engaging and memorable for stakeholders.

The extensive consultation and stakeholder engagement means that MAP2030 is seen as credible and relevant to Mondi colleagues at all levels. It is focused and quantitative to drive forward sustainability progress and can be effectively communicated internally and externally.

MONDI ACTION PIAN



SALTERBAXTER // UN GLOBAL COMPACT COMMUNICATION ON PROGRESS 2020

CIRCULAR DRIVEN SOLUTIONS

Innovative packaging and paper solutions that keep materials in circulation and prevent wast

🖤 EMPOWERED PEOPLE

An empowered and inclusive team that contributes to a better world

🥮 ACTION ON CLIMATE

Climate resilience through our forests and operations for the future of the planet

RESPONSIBLE BUSINESS PRACTICES

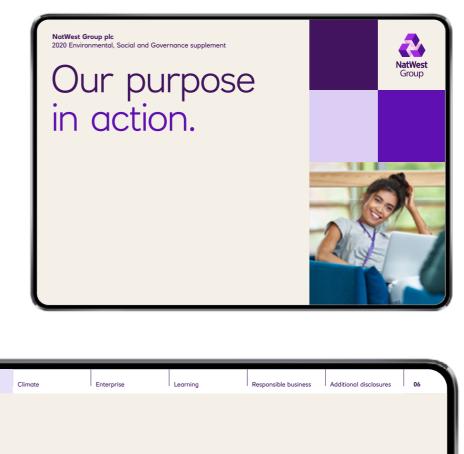
Business ethics & governance | Human rights | Communities | Procurement | Environmental impact

Guiding NatWest Group through their first ESG reporting project

"NatWest Group set out to create their first ever ESG Supplement with Salterbaxter's help to demonstrate how their purpose-led strategy helps to drive positive change for the communities, families and businesses they serve. We worked closely with a network of their internal stakeholders to ensure a balance between required content and wording, and a clean narrative. underpinned by NatWest Group's strategic focus areas.

The result was an investor-focused digital document that combined all relevant data and context into one PDF, while linking to the wider reporting ecosystem wherever this added value. The simple design also made the report an engaging document in itself, while aligning flawlessly with NatWest Group's existing reports.

To put the report on the radar of a wider audience, Salterbaxter also helped NatWest Group develop an animation that summarised key aspects of the report and was designed to be further cut down into bite-size pieces for social media content. The ESG Report emphasised NatWest Group's belief that an ESG Report is no longer a nice to have, but a commercial imperative.



Our strategy and highlights Our purpose-led strategy

Building a purpose-led bank

In 2020, NatWest Group set out to build a

purpose-led bank.

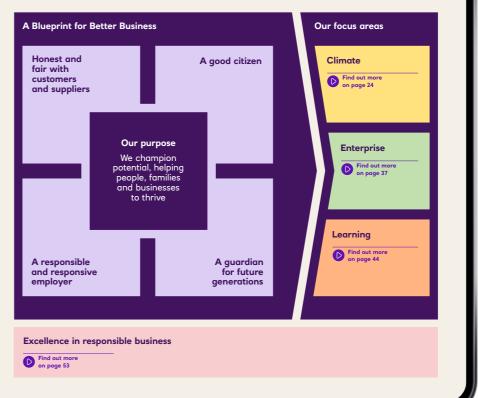
Our purpose, to champion potential, helping people families and businesses to thrive, was shaped by working closely with Blueprint for Better Business, an independent charity which aims to create a better ociety through better business.

Being purpose-led means we strive to create value for all the lives we touch by being honest and fair with our customers and suppliers, acting as a responsible employer, operating as a good citizer in our communities, and being guardians for the next generation.

Underpinning everything, we strive to meet standards and conditions that ensure we operate as a responsible business, particularly around important matters such as conduct, fair pay. taxes customer safety and human rights. Pages 53-82 cover this in detail.

Our purpose-led strategy aims to deliver long-tern sustainable performance and seeks to accelerate social value in areas where we can make a meaningful contribution: by helping to minimise the impact of climate change; championing enterprise; and supporting learning inside and outside the bank. We call these our focus areas and they are informed by seven Sustainable Development Goals (SDGs) along with continual external stakeholder input. Pages 24-52 cover our performance in these areas

We also recognise that embedding our purpose into everything we do will take time. We are focused on how to make balanced decisions that factor in the impact on multiple stakeholder groups. We are taking an integrated approach to governance; one that ensures our purpose is appropriately embedded within our existing governance framework and ocesses and seeks to put purpose at the heart of r business. Pages 15-16 cover this in greater deta





Section One // Our business and impact **Social data**

Measuring our social performance allows us to consider our progress on employee diversity and satisfaction: we believe these to be material indicators to our business success.

Salterbaxter has committed to reviewing and sharing GPG each year. Salterbaxter Gender Pay Gap for 2020 was 4.2%. The following was calculated using the Government guideline calculations. As part of our commitment to D&I, we hope to include ethnicity, disability and LGBTQ+ data to our calculations as well.

50F40 Female to male gender ratio

60:40 Females to males in senior leadership at Salterbaxter







Our commitment to diversity and inclusion

Diversity and Inclusion is at the heart of our values. We believe in building a truly diverse and inclusive culture where everyone feels their voice matters. We have committed to equal access to opportunity for people without regard to race, age, sex, disability, neurodiversity, sexual orientation, gender identity or religion.

Refreshing our recruitment processes including the introduction of blind CV's.

2020 was an important year for D&I with our embrace-change strategy being born. This involved us:

Signing BITC's Race at Work Charter.



Partnering with Multiverse, to find and hire apprentices that meet our socio-economic disadvantage indicators, and help them develop in the industry.



Our commitment to diversity and inclusion continued

We've also developed two key initiatives at Publicis Groupe level (Chris McCafferty, MSL and Salterbaxter CEO, co-leads D&I for the UK Publicis Groupe), introducing the Publicis Groupe UK Behaviour Charter, and our new Raising Concerns at Work process. These two initiatives aim to outline the inclusive, everyday behaviours we expect of everyone at Publicis Groupe UK, and simplify the way we can all raise concerns if we need to. We have several Business Resource Groups that represent the agendas of various protected characteristics. These include:

Enable Supporting those with disability



LET'S TALK MENTAL HEALTH

V VA

Women

In addition we are proud to have enhanced our maternity and shared parental leave to 26 weeks full pay, up from 16 weeks, our paternity leave to 4 weeks full pay, up from 2 weeks, and a full-pay return to work scheme. We've also launched a menopause policy and miscarriage policy - this is a really important step forward in our mission to deal with all kinds of things that are so rarely openly talked about, discussed, and supported in the workplace.

VivaWomen

Supporting gender equality and women in their careers, especially to stem the loss of senior female talent.



Egalite Supporting the **Publicis Groupe** LGBTQ+ community



Embrace

Supporting BAME (black, Asian, minority ethnic people) and their allies

Headline

Supporting the mental health and wellbeing of all employees

Operational changes across our business

Phoebe Hetherington

People Advisor, Human Resources



Even prior to the pandemic, Salterbaxter aimed to provide a working environment where everyone was able to enjoy a successful career alongside a fulfilling life outside work.

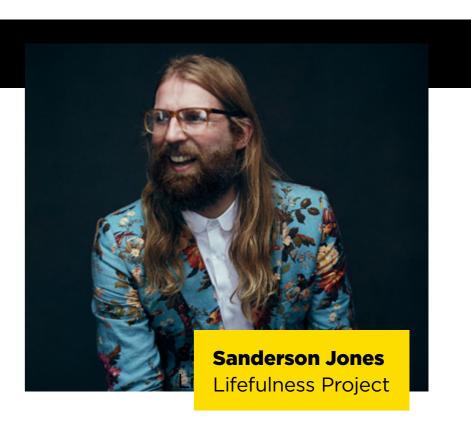
Our flexible working and core hours policy enabled just this. Kathleen, our MD, pledged that everyone would be judged on the work that they do rather than the hours they put in. To truly support work/life balance, if flexible working arrangements were something that someone would like to discuss, we'd ask 'why not', rather than 'why'. So when the pandemic broke and lockdown came, the transition to full remote working was not completely new to the team.

We wanted to create an open, honest environment where there was acceptance and empathy around mental wellbeing. Mental health care and communication is always at the heart of what we do, but increasing access and take up of our mental health initiatives that existed pre-COVID was key. Our trained mental health first aiders ran wellbeing sessions - a time to check-in and see where everyone's at. We partnered with Sanderson Jones (Founder of Lifefulness Project) to host monthly wellness sessions - bringing us together to re-connect. We offer 24/7 EAP services, free subscriptions to headspace and Aviva's Digital-GP service. We also began twice weekly virtual HIT fitness classes with a Personal Trainer, and more.

Phoebe Hetherington People Advisor, Human Resources

We understand that outside-work life/home-life was also heavily affected by the pandemic. For anyone who needed extra support and changes to their working pattern, we fully supported and worked with managers and teams to make sure this transition happened as smoothly as it could have.

We wanted to ensure people felt understood and supported in facing the challenges they experienced. Daily communication from leadership being key here, with updates and honesty about their own ups and downs during this time. There were agency-wide Q&A sessions to ensure there was overall understanding of the reasons and thinking behind the decisions to decrease certain teams' working hours and let a small number of people go.



Section One // Our business and impact Mental health, wellbeing & culture

With the arrival of COVID-19, the rapid transition to home-working, home schooling, and to the subsequent and immediate loss of face to face connection with colleagues, friends and family - we worked to quickly create a compassionate, supportive and connected culture for a new way of working.

03 **Feeling heard**

Groupe mental health and wellbeing sessions with a focus on Wellness action plan

MHFA (Mental Health First Aid) chats

Employee Survey

Micro-coaching

As a Groupe, and as an agency, we drove the development and roll out of new ideas that could help us all in an uncertain time, with a focus on five things:

01 **Feeling well**

Pilates

Twice Weekly Fitness Bootcamp

Headspace

Micro-coaching

02 Feeling supported

Flexible hours for whatever reason, support for working parents, support to return to families abroad during lockdown

Double down on mental health and wellbeing resources via Groupe

04 **Feeling inspired**

Salterbaxter Festival with a focus on the whole person - wellbeing. yoga and mindfulness, cooking, systems change and linguistics

05

SBKB Lunch and Learns

16

Frequent leadership Q&As

Sanderson Jones Lifefulness Sessions - longer term wellbeing and resilience group sessions

Publicis Plug in - cooking classes, language classes, knowledge sharing from the group

Feeling connected

Mystery Coffee chats

Weekly Monday team meetings

Monday Hooray

Thursday social

Daily emails from Annette King

Section One // Our business and impact **Prioritising everyone's** health & safety

With the transition to fully working from home, we wanted to ensure everyone had a comfortable and safe set up. Everyone received a virtual 1:1 desk assessment from our trained People team. We also gave £100 per person to spend on their new home office - whether that be a new chair, lamp, or something else to cheer up their space.

With the return to office transition taking place, health and safety is our priority. We've ordered several thousand rapid tests; anyone being welcome to collect test kits from our office, so they can be done every morning they choose to come into the office.

Our office has taken all precautionary measures to make sure everyone feels safe and comfortable to come in, including socially distanced seating/desks and regular cleaning/sanitisation.



Adapting our ways of working

Mona Lelisar

Project Director, **Corporate Reporting**



If anyone would have told us at the beginning of 2020, in the midst of reporting season, how the next 18 months would look like, we would not have believed them.

Overnight we were all transported from the open-plan offices and breakout spaces to our kitchen tables and bedrooms. Our projects followed us - while some were put on temporary hold, others such as annual reports had to carry on with no delays.

From March 2020 we had to work together to very guickly review and adapt everything: the creative theme, the key stories and the content, to cater for the new reality. We also had to completely rethink our process to ensure we had the same rigour, accuracy and enjoyment that we would have had during the 'peaceful' times, with the biggest adjustment needed for sign off day.

For sign-off day we transferred all the processes we would normally undertake in the office to the MS Teams environment and managed our first full remote sign off day in May 2020, with 12 clients and twice as many auditors. It was a lovely day, (and a highlight in the midst of the most severe lockdown) with everyone being in constant contact, individually or in the group chat. This process has since been enhanced and rolled over to all our reporting clients.

The feedback from our clients on the process has been phenomenal - and our first remote sign-off is now guoted to be 'the best ever'. We are now able to see our clients in person but we will take the key learnings and experiences into the new hybrid world of working.







UN GLOBAL COMPACT COMMUNICATION ON PROGRESS 2019

Section Two // Our commitment to the 10 UNGC principles

The 10 Principles of the UN Global Compact

Human Rights

Principle 1

Businesses should support and respect the protection of internationally proclaimed human rights.

Principle 2

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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

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Undertake initiatives to promote greater environmental responsibility.

Principle 9

Encourage the development and diffusion of environmentally friendly technologies.

Anti-corruption

Principle 10

SALTERBAXTER // UN GLOBAL COMPACT COMMUNICATION ON PROGRESS 2020

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

Section Two // Our commitment to the 10 UNGC 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.

Our approach

As a subsidiary of Publicis Groupe, we endorse the Guiding Principles for Business and Human Rights introduced by the UN Human Rights Council in 2011, as well as the Universal Declaration of Human Rights, and we report to Groupe on this topic. We support and abide by the Modern Slavery Act becoming law in 2015, and we publish our Anti-Slavery and Human Trafficking Policy in this report (see pages 29-30). We believe that modern forms of slavery must be recognised as issues facing our society today in order to be systematically addressed and combated. We take a proactive approach and assess the real and potential impacts of our business operations, direct and indirect, across our value chain.

Publicis Groupe have been a signatory of the UN Global Compact since 2003 and have supported the SDGs since their launch in 2015, demonstrating a key commitment to respecting Human Rights.

Human rights protection principles are incorporated in the following key documents and policies:

The company's Janus Code of Ethics

- 81% of employees were trained in Janus.

The CSR Guidelines for Business

These policies are supported by a centralised Whistleblowing Policy for red flags that ensures confidentiality and nonretaliation for those raising issues.

CSR Policy Library.

• Janus Code of Ethics forms the guidelines for all its employees' business conduct towards clients and suppliers, and it is aligned to the principles of the International Labour Organization (ILO).

• Groupe also trains all employees on the code, in 2020

• CSR Guidelines for Business outline the key elements of Publicis Groupe's responsible procurement approach; these are complementary to the UNGC 10 principles and therefore include zero tolerance to discrimination and respect for human rights amongst the other principles.

For more information about Publicis Groupe's approach and policies on human rights please refer to their latest Human Rights section of the *digital CSR report* and in the

Section Two // Our commitment to the 10 UNGC principles Human rights continued

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.

Action

We promote the right to education and encourage the development of skills by:

- Formal and informal training and mentoring, including participation in workshops and talks with different agencies;
- The way we manage the business and the salaries paid, we promote the right to adequate standards of living;
- The way we manage business, we promote the right to freedom of expression.

We promote the right to safe and healthy working conditions by:

- Managing the working environment;
- A comprehensive Health and Safety policy (see page 33). All new employees, both permanent and contract staff are inducted in this as part of our new starter process;
- We have staff trained in first aid and fire risk assessment prevention and response.

We support and encourage our clients to report their human rights challenges by:

- Helping them to analyse the importance of the topic to their business through materiality assessments;
- Encourage companies to report openly and regularly about their progress and areas of improvement.

As our business evolves and expands into new territories we continuously review our approach to ensure that we live up to best practice approaches.

We also have a well communicated grievance procedure that ensures employees are familiar with how to raise concerns about staff, treatment or any other aspect of our work.

More on this topic is covered under the Labour Standards principles on the following page.

Section Two // Our commitment to the 10 UNGC principles

🖻 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.

Our approach

Publicis Groupe adheres to the International Labour Organization (ILO) Convention and regards the freedom of expression as a basic human right. The Groupe is not only committed to respecting the freedom of expression, association and the right to collective bargaining in the countries where it operates and within its entities but it also encourages its agencies to promote direct, frequent exchanges between managers and their teams regarding business procedures.

Labour rights and freedom of expression and bargaining policies can be found in the following documents:

- The Janus Company Code of Ethics, in particular the Reporting Concerns & Whistleblowing section;
- CSR for Business Guidelines:
- For more information about Publicis Groupe's approach and policies please see their CSR digital report.

Our action

As a UK-based professional services SME, Salterbaxter's risk of contributing to detrimental impact on labour rights is very low. However, we firmly believe that excellent labour practices are fundamental for attracting, developing and retaining talented people in a competitive field. A culture in which all staff are treated fairly and each individual's merits are promoted equally is not just a good business practice or a regulatory requirement - it is also essential to a happy and productive workforce.

Salterbaxter also strongly supports instruments that promote global labour standards such as the ILO Core Conventions. (Please see page 32 for more information on our equal opportunities policy).

decent work in our company:

- All permanent staff have access to a range of wellbeing services including private health insurance, dental cover, discounted gym membership and more;
- All permanent staff have access to an Employee Assistance Programme which can offer a range of services including bereavement counselling, online resources and articles on health, family, money and work matters;
- and cultural events:
- to UK legislation;
- Performance against objectives and compensation are formally reviewed on a twice-yearly basis supported by informal monthly check-ins with line managers;
- Informal mentoring takes place between staff outside of formal line management. This includes Publicis-supported events such as the Viva Women speed mentoring sessions;
- As a client-focused business we need to be agile and responsive to client needs which does require some flexibility; however we have guidelines and training for managers.

These are some of the actions we take to support fair and

- All permanent staff have access to engaging activities
- The company also provides a pension scheme according

Section Two // Our commitment to the 10 UNGC principles **Labour** continued

Principle 6

The elimination of discrimination in respect of employment and occupation.

Our approach

Publicis Groupe puts particular emphasis on eliminating discrimination in respect of employment and occupation. It puts the celebration of diversity at the core of its culture with the company motto 'Viva la Difference', it puts this in action by working to achieve four key goals:

- 1 Achieve 45% women in leadership positions by 2025
- **2** Equal pay between women and men
- **3** Source, recruit and retain more diverse talents, to be aligned with local economic and social context, and to increase the diversity in the workforce
- **4** Retain and expand the flexible working program to improve employee engagement and wellbeing in different life contexts

Through a number of rules and principles, such as a zero tolerance policy towards discrimination and harassment, it aims achieve these goals and encourage action across agencies. Other initiatives in 2020 include joining the US Catalyst to denounce anti-Asian sentiment and other bias linked to coronavirus and joining CEASE to involve companies in ending gender-based violence.

Currently in Publicis Groupe women continue to make up a significant part of leadership positions at 40.4%. Publicis Groupe also runs the Women's Forum for the Economy and Society, in 2020 it published its first barometer to assess public awareness of gender disparities.

Key documents outlining Groupe's approach to inclusion and diversity are the following:

- Talent and Human Resources;

SALTERBAXTER // UN GLOBAL COMPACT COMMUNICATION ON PROGRESS 2020

• Publicis Groupe Inclusion and Diversity Policy;

• The company's Janus Code of Ethics, in particular

• For more information about Publicis Groupe's approach and policies please see their latest Annual Report.

Section Two // Our commitment to the 10 UNGC principles **Labour** continued

Principle 6

The elimination of discrimination in respect of employment and occupation.

Our action

At Salterbaxter we are an equal opportunity employer; we live the difference every day, all employees at all levels. As part of Publicis UK our CEO Annette King forms the majority of the Executive Committee and we receive training by the legal team particularly on Unconscious Bias for women and men. Furthermore, Publicis UK established VivaWomen!, an organisation that promotes gender equality by raising awareness and organising events and small work groups. Through the MSL Group we also adhere to the MSL Equal Opportunities Policy which is set to avoid any type of discrimination at work, starting at recruitment.

These are some of the action we are taking to eliminate discrimination at Salterbaxter:

- We are an equal opportunities employer with regards to both our employees and recruitment processes;
- Employees have taken up opportunities to participate in a number of online initiatives by: Egalité - a Publicis-wide employee network for lesbian, gay, bisexual and transgender (LGBT) professionals and allies;
- VivaWomen! is a Publicis Groupe network of women focused on supporting women to succeed and lead. In 2020, Salterbaxter employees were able to access online training courses, events and webinars;
- For more information on how we embedded diversity into the business through our "Embrace Change" programme at Publicis UK in 2020 see page 13.

Section Two // Our commitment to the 10 UNGC principles

Environment

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.

Our approach

Publicis Groupe signed to the UNGC in 2003. It also signed to the Caring for Climate Pledge in 2007. The Groupe's motto for environmental policy is 'Consume less and better' which has been developed around the EU's 2030 Strategy and goals, which were revisited in 2019. The Groupe's Environmental priority areas are:

- Reducing employee transport and its impact through the introduction of teleconference and conference call systems;
- Reducing energy consumption and improving energy efficiency (by seeking to limit the impact relating to electricity, heating and air conditioning);
- Reducing consumption of raw materials;
- Systematically installing recycling and organised (non-hazardous) waste management systems;
- Achieve carbon neutrality for the entire Groupe as soon as possible and by 2030.

Furthermore:

- Publicis Groupe's goals are aligned with the Science-Based Targets Initiative.
- Groupe voluntarily follows Task Force on Climate-related Financial Disclosure (TCFD) recommendations.
- For a sustainable supply chain Groupe requires its suppliers to conduct a self-assessment for sustainability through expert third-parties such as Ecovadis and others through the platform P.A.S.S.

In 2020 Groupe release an advance carbon calculator platform 'A.L.I.C.E'. to measure and manage the emissions of campaigns and projects with clients.

Groupe also takes action to manage its impacts through its procurement, real estate, on biodiversity and through waste are minimised and improved, for more information refer to the *Annual Report*.

Our action

At Salterbaxter, since the business was founded more than 20 years ago, we have been working to elevate awareness and communication on environmental issues. Our day-to-day work involves helping businesses address and communicate the major challenges facing society in the short, mid and long term.

Having conducted an operational review in line with ISO 14001 in 2012 we are aware of most significant environmental impacts. As an office-based professional services business, our own impact on the environment is relatively small. Our greatest impact is through our influence. However, we encourage more environmentally responsible behaviours as a way of spreading positive change and recognise our responsibility to do what we can.

At Salterbaxter we use our positive influence to help our printing suppliers improve their environmental credentials. We ensure our in-house printing uses FSC-certified paper for colour prints and we are seeking to influence the central procurement purchasing of only recycled, FSC or PEFCcertified paper as the standard.

We also encourage positive sustainable behaviour through upgrading printers to provide duplex printing.

Section Two // Our commitment to the 10 UNGC principles

Principle 10

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

Our approach

The Janus Code of Ethics document outlines the Groupe's zero tolerance anti-corruption approach, specific contexts and at-risk areas to which all employees and managers must comply. Furthermore, training is provided to all employees. Internal and external accounting audits are conducted to verify compliance and whistleblowing portals are in place.

Publicis Groupe also set up a centralised body, Re:Sources, to provide support for financial and administrative services to its agencies. Publicis Groupe's Code of Conduct, Janus, addresses the issues of gifts, conflicts of interest and inappropriate or unethical relationships, either with clients or suppliers, competition and unfair practices. Janus is shared with all staff in inductions.

The Groupe's legal experts, based in the shared services centres (Re:Sources) and functionally under the Groupe's Legal Department, play an important role in terms of awareness and the application of laws and regulations concerning corruption. They ensure agencies are made aware of the issues, work on prevention and lay down compliance procedures adapted to local markets. The aim is to maintain strict standards that comply with current applicable regulations.

Anti-corruption policies, guidance and performance can be found in the following documents:

- Janus Code of Ethics, in particular, <u>Anti-bribery and</u> anti-corruption Policy;
- The <u>Annual Report</u>.

Our action

At Salterbaxter we are committed to operating ethically and against all forms of corruption at all times. We share all information that is shared at a Groupe level to the rest of our teams when appropriate – this is the top-down approach that we have adopted.

Our employee Handbook, included in the Publicis' Groupe Janus code of conduct, details our policy and procedure on receiving gifts, and only permits us to accept gifts of no substantial financial value. Our client hospitality is restricted to very occasional end-of-project celebration meals, when the team on both sides are thanked for their hard work. To ensure these rules are enacted during our induction process we ask all staff to declare any conflicts of interest and sign this declaration.

Section Three

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Section Three // Our responsible business policies

Anti-slavery and human trafficking policy

The following UK policy on anti-slavery and human trafficking has been drafted in order to comply with the Modern Slavery Act 2015 (the 'Act'). It extends to all of our business dealings and transactions in all countries around the world in which we do business.

Policy statement

Modern slavery is a crime and a violation of fundamental human rights. It takes various forms such as slavery, servitude, forced or compulsory labour and human trafficking, all of which have in common the deprivation of a person's liberty by another in order to exploit them for personal or commercial gain.

The Groupe has a zero-tolerance approach to modern slavery and is committed to acting ethically and with integrity in all its business dealings and relationships and to implementing and enforcing effective systems and controls to ensure modern slavery is not taking place anywhere in its business or in any of its supply chains.

Salterbaxter is committed to ensuring there is transparency in its business and approach to tackling modern slavery throughout its supply chains, consistent with its disclosure obligations under the Act. Salterbaxter expects the same high standards from all of its contractors, freelancers, suppliers and other business partners. As part of its contracting processes, Salterbaxter includes specific prohibitions against the use of forced, compulsory or trafficked labour, or anyone held in slavery or servitude, whether adults or children, and it expects that its suppliers will hold their own suppliers to the same high standards. This policy applies to all persons working for Salterbaxter or on our behalf in any capacity, including employees at all levels, directors, officers, Salterbaxter workers, seconded workers, volunteers, interns, agents, contractors, freelancers, external consultants, third-party representatives and business partners ('Salterbaxter Staff').

This policy does not form part of any employee's contract of employment and may be amended at any time.

The Groupe's UK Compliance Officer has primary and day-to-day responsibility for implementing this policy, monitoring its use and effectiveness, dealing with any gueries about it, and auditing internal control systems and procedures to ensure they are effective in countering modern slavery and human trafficking. Management at all levels are responsible for ensuring those reporting to them understand and comply with this policy and are given adequate and regular training on it and the issue of modern slavery in supply chains.

Suppliers

Suppliers to Salterbaxter are required to comply with the supplier code of conduct (the 'Code') provided to them. The Code sets out minimum behaviours. standards and practices Salterbaxter expects to see from its suppliers to ensure compliance with the Act. Salterbaxter expects all who seek to have a business relationship with Salterbaxter or any member of the Publicis Groupe (the 'Groupe') to familiarise themselves with the Code and act in a way that is consistent with it.

Responsibility for the policy

Section Three // Our responsible business policies

Anti-slavery and human trafficking policy continued

Staff

All Salterbaxter Staff must ensure that they read, understand and comply with this policy.

The prevention, detection and reporting of modern slavery in any part of Salterbaxter's business or supply chains is the responsibility of all Salterbaxter Staff. Salterbaxter Staff are required to avoid any activity that might lead to, or suggest, a breach of this policy.

Staff must notify their manager or Salterbaxter's compliance officer as soon as possible if they believe or suspect that a conflict with this policy has occurred, or may occur in the future. Staff are encouraged to raise concerns about any issue or suspicion of slavery and/or human trafficking in any parts of Salterbaxter's business or supply chains of any supplier at the earliest possible stage. In order to help identify modern slavery, there are a number of indicators that you should be aware of. Not all the indicators will apply in every case, and some may not be immediately apparent. The indicators include, but are not limited to:

(a) Restricted freedom

Victims of slavery and/or human trafficking may not be in control of their passports or other travel or identity documents. They may have false identity documents or are unable to move freely.

(b) Behaviour

Victims of slavery and/or human trafficking may be unfamiliar with the local language or may act as if they are instructed by someone else. They may show fear or anxiety and be distrustful of authorities.

(c) Working conditions

Victims of slavery and/or human trafficking may have no contract or be unable to negotiate working conditions. They may be forced to work under certain conditions or work excessively long hours over long periods. They may lack basic training or professional licences.

(d) Accommodation

Victims of slavery and/or human trafficking may not know their home or work address. They may live in poor or substandard accommodation, or have no choice where they live or who they live with.

(e) Finances

Victims of slavery and/or human trafficking may receive little or no payment, or have no access to their earnings. They may be disciplined through punishment or fines. They may be forced to open bank accounts or forced to sign documents to receive social security benefits, credit agreements or loan agreements.

(f) Appearance

Victims of slavery and/or human trafficking may suffer injuries that appear to be the result of an assault, or the result of the application of control measures.

See the UK Government's full list of potential indicators here.

If staff believes or suspects that modern slavery, human trafficking and/or a breach of this policy has occurred or may occur, staff must notify their line manager or Salterbaxter's compliance officer or report it in accordance with our Whistleblowing Policy as soon as possible.

If staff are unsure about whether a particular act, the treatment of workers more generally, or their working conditions within any tier of Salterbaxter's supply chains constitutes any of the various forms of modern slavery, staff must raise it with their line manager or Salterbaxter's compliance officer. Salterbaxter encourages openness and will support anyone who raises genuine concerns in good faith under this policy. It is also committed to ensuring that no one suffers any detrimental treatment as a result of reporting in good faith their suspicion that modern slavery of whatever form is or may be taking place in any part of Salterbaxter's business or in any of its supply chains.

Detrimental treatment includes dismissal, disciplinary action, threats or other unfavourable treatment connected with raising a concern. If you believe that you have suffered any such treatment, you should inform HR immediately. If the matter is not remedied, and you are an employee, you should raise it formally using the Grievance Procedure, which can be found in our Employee Handbook.

Communication and awareness of this policy

Training on this policy, and on the risks Salterbaxter faces from modern slavery in its supply chains will be provided as necessary.

Salterbaxter's zero-tolerance approach to modern slavery must be communicated to all suppliers, contractors and business partners at the outset of our business relationship with them and reinforced as appropriate thereafter.

Breaches of this policy

Any employee who breaches this policy will face disciplinary action, which could result in dismissal for misconduct or gross misconduct.

Subject to the relevant contractual terms, Salterbaxter may terminate its relationship with other individuals and organisations working on its behalf if they breach this policy.

Section Three // Our responsible business policies

Data privacy policy

In late 2017, an initiative was launched to prepare Publicis agencies in the UK in readiness for the EU General Data Protection Regulation (GDPR), effective as of 25 May 2018. Salterbaxter assigned two members of staff to take the role of Data Privacy Stewards (DPS).

GDPR programme

The programme was rolled out centrally and led by the legal team in conjunction with the Global Security Office, beginning with a data audit and creation of a Personal Data Register, followed by training for the DPS. The DPS are responsible for identifying risks, taking remedial actions as required, staff training and ensuring compliance with GDPR regulation.

Salterbaxter is committed to protecting data privacy responsibly, in compliance with client requirements and any applicable data privacy laws worldwide.

The Groupe data privacy policies have been developed to ensure the following;

- as required.

• The personal information that is collected and used is done so in accordance with GDPR regulation;

• The personal information we hold on behalf of clients is properly protected so we can help clients comply with their own obligations under the law;

 Requests from individuals for access to their own personal information are adequately managed;

 Requests from third parties for access to personal information are adequately managed;

• The IT department in each region remains responsible for ensuring that the systems and infrastructure are in place to secure data and all personal information. The Groupe has a top-down approach to managing data privacy policies throughout all agencies. These policies are then shared with agencies and the implementation of the appropriate procedures are then managed by the DPS at agency level and any issues are referred back to the legal team or Global Security Office,

Section Three // Our responsible business policies Equal opportunities policy

At Salterbaxter we value diversity and we make every effort to ensure that there is no discrimination or harassment of employees, job applicants, clients, contractors or visitors on the grounds of colour, race, nationality, religion or belief, ethnic origin, disability, age, gender, marital status, sexual orientation, parental responsibilities, part-time or fixed-term status.

Our objectives

In issuing this policy we have three main objectives:

- To encourage employees to take an active role against all forms of bullying, harassment and discrimination;
- **2** To deter employees from participating in bullying, harassment or discriminatory behaviour;
- **3** To demonstrate to all employees that they can rely upon our support in cases of bullying, harassment or discrimination at work.

Policy statement

We are committed to a working environment that offers equal treatment and equal opportunities for all its employees, so that every employee is able to progress to their true potential.

This policy applies to all aspects of our working practices and therefore applies to the recruitment and selection of employees, terms and conditions of employment, training, salary, work allocation, promotion, disciplinary and grievance procedures.

Our people managers are given training on best practice recruitment processes and other management skills to reinforce anti-discriminatory behaviour.

All employees are made aware of our equal opportunities policy and, if necessary, undergo any training and development activities to raise their awareness of equality issues. In 2020 Salterbaxter adopted new approaches to improved equality and inclusion such as signing up to the BITC Race at Work Charter, introducing blind recruitment practices and encouraging a diverse pool of apprentices, see <u>page 13</u> for further details. We also introduced D&I objectives in our staff's personal development plans.

In 2020 there were no breaches of this policy.







Section Three // Our responsible business policies Health and safety policy

We want our employees to be as safe as possible in our working environment which is why we require all employees to follow these guidelines at all times.

Policy statement

While the company will take all reasonable steps to ensure the health and safety of its employees, health and safety at work is also the responsibility of employees themselves. It is the duty of all employees to take reasonable care of their own and other people's health, safety and welfare. Employees should report any situation that may pose a serious or imminent threat to the wellbeing of themselves or of any other person.

For details on how we handled health and safety during the pandemic and its aftermath please see page 17.

Since 2020 office attendance is non-mandatory, within the office, we will continue to provide and maintain high healthy and safe working environment, in line with COVID-19 highest safety standards and with the objective of minimising the number of health and safety related incidents. The company will pay particular attention to:

- Maintaining the workplace in a safe condition and providing adequate facilities and arrangements for welfare at work;
- Providing information on first aiders, fire exits, evacuation procedures and meeting points in the event of an emergency;
- Providing training for first aiders and fire marshals to support staff in the event of emergency;
- Giving access to staff to an Employee Assistance Programme which includes helplines for bereavement counselling and probate helplines as well as online resources for family, health and money issues;

- place to get some rest;
- that is safe:
- and other persons;

In 2020 there were no breaches of this policy.

 Provision of a First Aid room so that staff who are taken ill at work have some privacy and a

 Access to taxi services if working after 9pm to ensure safe passage home from the workplace;

• The provision and maintenance of equipment

 The provision of such information, instructions, training and supervision as is necessary to ensure the health and safety at work of its employees

Providing access to Mental Health Ambassadors who are trained to assist employees in seeking help for mental-health related issues:

• The company may take disciplinary action against any employee who disregards health and safety rules and procedures, or who fails to perform their duties under health and safety legislation. Depending on the seriousness of the offence, it may amount to potential gross misconduct rendering the employee liable to summary dismissal.

Section Three // Our responsible business policies **Environmental procurement policy**

Policy statement

We are committed to managing and reducing the company's environmental impacts. The biggest impact we have on the environment is through our supply chain and how we place work with printers on behalf of our clients. Our print and paper policies can be read below.

Paper policy

All paper specified for our major projects must adhere to the following as a minimum:

- Be ECF (elemental chlorine free) or TCF (total chlorine free).
- Any virgin pulp must be sourced from sustainably managed forests.
- The mills which produce the paper should have ISO 14001 accreditation.

We further aim to specify a percentage of those jobs from our 'Top 10' list of enhanced environmental paper stocks. All these papers are FSC accredited OR recycled with a minimum of 20% post-consumer waste. We are also looking into carbon neutral papers.

Print procurement policy

Where we have the buying decision, we aim to place our print with suppliers who are managing their environmental impacts in a progressive and transparent way.

This process is managed through a key suppliers list.

Where we do not have the final buying decision we will always advise clients to follow our guidelines. ISO 14001 is a key part of our criteria and although we understand the limitations of this system, we still feel it is a useful assurance process by which we an assess a printer's commitment to environmental management.

We may also consider other suppliers if their activities are transparent enough for us to assess without the ISO programme.

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