



WILDHEARTS

4th March 2022

Statement of continued support

To our stakeholders

I am pleased to confirm that WildHearts Group reaffirms its support of the Ten Principles of the United Nations Global Compact in the areas of Human Rights, Labour, Environment and Anti-Corruption.

In this annual Communication on Progress, we describe our actions to continually improve the integration of the Global Compact and its principles into our business strategy, culture, and daily operations. We also commit to sharing this information with our stakeholders using our primary channels of communication.

Sincerely yours,

Dr Mick Jackson
Founder & CEO, WildHearts

Human Rights

WildHearts Group is a portfolio of companies that exist to make a positive difference in society, putting people and planet first. The projects that we run and / or support champion Human Rights globally. Our policies and procedures throughout the Group and our supply chain have been implemented to ensure the protection of Human Rights.

Our financial inclusion initiatives (microfinance) in Malawi, Zambia and Zimbabwe empower women and their families, ensuring they can work their way out of poverty, feed their children and send them to school. As such, our activities support Human Rights Article 23; Everyone has the right to work; to free choice of employment.

Our education-focused initiatives provide girls with safe, reusable sanitary pads to help them stay in school and ensure both girls and boys have access to the essential tools for learning via distribution of educational packs, (pencils, notepads, rulers etc). As a result, our initiatives support Human Rights Article 26; Everyone has the right to education.

In the UK, WildHearts provide world class entrepreneurial education in schools, colleges, and universities through our Micro-Tyco programme. Micro-Tyco is designed to liberate entrepreneurial thinking across our whole society, levelling the playing field and unleashing entrepreneurial talent in students from all backgrounds.

Implementation

WildHearts have a Supplier Code of Conduct and Ethics that sets out the expectations the Group has of all its suppliers and third-party intermediaries. It provides both an overview of the laws, regulations and quality standards that must be complied with and an insight into our principles, and the ethical behaviour we seek to instil throughout all our activities. This supports the robust policies the Group has implemented in respect of anti-slavery and human trafficking, modern slavery, and labour standards. Together these policies are designed to ensure we protect those within our supply chain. This is aligned to Human Rights Articles 4 and 5; No one shall be held in slavery or servitude, and no one shall be subjected to torture or to cruel, inhumane or degrading treatment or punishment.

Examples of activities within our supply chain that are influenced our policies include:

- Our fulfilment partners auditing their supply chain to check compliance with ethical and environmental standards. This usually takes place with visiting factories in their relevant countries, however due to Covid, this had to be undertaken remotely.
- Purchasing managers maintaining regular contact and continuing to audit (remotely) far east factories ethical and environmental performance.
- Our suppliers are required to deliver annual slavery and human trafficking reports, setting out the steps they have taken to ensure that slavery and human trafficking are not taking place in any of their supply chains or in any part of their business.
- WildHearts is a member of SEDEX (the Suppliers Ethical Data Exchange). Our key fulfilment partners are also members of SEDEX. Members of SEDEX are required to sign up to contractually binding obligations in respect of the Modern Slavery Act and sustainable trading.

- Annual third-party audit reports are required of factories used to make our own brand products, confirming compliance to ethical practices in accordance with the SEDEX Ethical Trading Initiative (ETI) Base Code. This includes compliance with the United Nations Global Compact Guiding Principles and ILO standards implementation.

We voluntarily publish a Modern Slavery Statement each year and this is available to all on our website.

We are B Corp certified, meeting the highest standards of verified social and environmental performance, public transparency, and legal accountability.

WildHearts will terminate our relationship with any supplier found to be in breach of our Supplier Code of Conduct and Ethics or that fails to ensure their supply chain does not meet our standards.

Measurement of outcomes

Measure: Number of beneficiaries impacted through our social programmes.

Result:

- Over 96,000 women received microloans in 2021 across our operations in Malawi, Zambia, and Zimbabwe. Including their dependents, we estimate these loans positively impacted over 480,000 lives.
- More than 14,000 packs of reusable sanitary pads were manufactured that are being distributed to girls in need within Africa alongside the provision of menstrual health training.
- Our free-to-access UK Schools Programme achieved more than 58,000 student engagements in 2021, providing young people with access to world class enterprise and employability training as well as teaching them about sustainable business and empowering them to tackle climate change.

Measure: Number of breaches of internal policies identified within our supply chain?

Result: Nil

Labour

Putting people and planet first is important to WildHearts. We embedded a number of activities and policies to ensure that our employees and those employed in our supply chain are treated fairly. We do not use Zero Hours contracts. We are B Corp certified and as such we have to meet and maintain high standards in our recruitment and selection practices. Our Recruitment Policy is designed to ensure that all applicants are treated fairly and with equality of opportunity. The Group is committed to ensure we recruit candidates who are most suited to the position in question and recruitment activities comply with the Recruitment Policy and the Group's Equality and Diversity Policy at all times. This supports the robust policies the Group has implemented in respect of anti-slavery and human trafficking, modern slavery, and labour standards. Our policies are designed to ensure WildHearts, and our supply chain does not participate in any form of forced labour, child labour or exploitation of migrant workers. We require all new recruits into the business to provide proof of their Right to Work in the UK.

Implementation

WildHearts is an accredited Real Living Wage employer and ask that our supply chain, where practical, also pay the real living wage as a minimum. WildHearts itself exceeds the Real Living Wage for its employees.

Employment related decisions are guided by our employment policies and procedures, ensuring relevant and objective criteria are considered in every situation. WildHearts encourages employees to give feedback and has a suggestion area in the HR platform that allows employees to help make WildHearts an even better place to work. As a requirement of ISO 9001 we have a process for feedback both internally and from other stakeholders.

WildHearts grievance procedure enables the Group to ensure that any problems, complaints, or concerns raised by employees are dealt with in a fair, timely and consistent manner.

The disciplinary procedure ensures that any concerns over employees' conduct or performance are handled in a fair, consistent, and timely manner, with the intention of bringing about an improvement, and to protect the proper operation of the Group's business and the health and safety of its employees.

WildHearts wishes to provide a stimulating and supportive environment which will empower its staff to fulfil their personal potential. Such an environment cannot exist where anyone is subjected to bullying, harassment, intimidation, aggression, or coercion. The Group is fully committed to the principles of equality and diversity in the workplace and regards harassment as a form of discrimination. The Group will not tolerate any form of bullying or harassment. Employees should feel empowered to raise any complaints if they see or experience inappropriate behaviour. We also encourage our supply chain to report any concerns regarding any employee to be dealt with under the appropriate policy and procedure. Anyone reporting concerns to WildHearts, whether an employee or a member in the supply chain will do so with the guarantee that they will not be disadvantaged in anyway.

Measurement of outcomes

Measure: Percentage of staff paid Real Living Wage?

Result: 100%

Measure: Number of employees on Zero Hour Contracts

Result: None

Measure: Number of breaches of labour laws identified within our supply chain

Result: None

Measure: Number of breaches of labour laws identified within WildHearts

Result: None

Measure: Number of Grievances raised within WildHearts

Result: None

Measure: Number of Disciplinarys within WildHearts

Result: None

Environment

The Group has been assessed by Carbon Footprint™ and have achieved Carbon Neutral Plus as an organisation. The Group has also implemented an Environmental Management System and achieved ISO 14001. We have integrated Sustainability/CSR into our business management system. People and planet first are important to the WildHearts Group and we ensure that this is incorporated into all our policies, procedures, and business decisions. We publish our environmental policy statement on our website. Our IT infrastructure has allowed us to reach more customers around the world than ever, even with Covid restrictions in place. Online collaboration has reduced the volume of business travel and has proven to be sustainable after restrictions have lifted, maintaining our reach around the world while continuing to reduce our carbon footprint. Collecting and monitoring data internally helps us evaluate our environmental impact and take actions to reduce it, but we also do this with our supply chain. We include this data when we measure and report our Carbon Footprint.

Implementation

Reduction of Single use plastics

We are working with our key fulfilment partners towards eradicating single use plastic within our logistics and back-office operations across our commercial businesses, to the benefit of all functional bodies:

- Our primary fulfilment partner is one of the first companies in the UK to source and sell biodegradable plastic products.
- We have eliminated plastic void fill and packaging. The “void fill” used in our delivery boxes is made of recycled packaging materials.
- We operate segregated recycling/waste bins in warehouses/offices.
- Our supply chain includes representation on the Single Use Plastic Reduction industry forum comprising suppliers, customers, and manufacturers.

Sustainably sourced products

We require our key fulfilment partners to be accredited to both ISO9001:2015 Quality Management System (QMS) and ISO14001:2015 Environmental Management System (EMS) as part of their contract. Environmental criteria are included within the audits of factories which manufacture products within our range. Preference is given to ISO14001 EMS certified companies.

Waste minimisation via;

- Electronic customer and supplier trading, to reduce the paper trail.
A ‘zero-to-landfill’ policy at key Distribution Centres, ensuring that none of the waste associated with customers’ contracts goes to landfill sites.
100% of inbound supplier packaging is recycled.
- As part of its partnership with Greenway, one of our key fulfilment partners, is contributing to the recycling of all plastic waste, which is steamed and used to create energy.

- Staff are mandated to reduce waste in all their actions e.g., implementation of recycling/waste segregation bins within the office.

Recycling solutions

We offer our customers a complete recycling solution for Ink and Toner Cartridges at zero cost to them.

Measurement of outcomes

Measure: Number of ink cartridges recycled each year

Result: Our fulfilment partners have collected empty cartridges preventing 230,000 tons of toners going into landfill, with 100% of the recycled cartridge being reworked.

Cartridge remanufacturing reuses products and components (such as plastic) that would otherwise become part of the corporate waste stream:

- 79% less materials consumed.
- 44% less natural resources used.
- 51% smaller total environmental impact.
- 48% smaller energy demand.

Measure: Carbon Footprint

WildHearts Group has calculated its carbon footprint for the period 1st January 2021 to 31st December 2021. The calculation uses the 2021 emission factors developed by the Department for Environment, Food and Rural Affairs (DEFRA) and the Department for Business, Environment & Industrial Strategy (BEIS) for reporting emissions.

The carbon footprint assessment included the following for WildHearts Group UK operations

- Electricity consumption
- Grey-fleet car travel
- Van freight
- Air travel
- Rail and taxi travel

Data Source & Accuracy

Carbon Footprint Ltd assessed and verified WildHearts data as being 'Excellent' overall, across the following areas;

- Van Freight
- Flights
- Electricity

- Grey-fleet Car Travel
- Rail Travel
- Taxi Travel

Result:

The majority of emissions (78.6%) are associated with van freight.

Element of Footprint % of CO₂e

- Electricity consumption 4.8%
- Van freight 78.6%
- Flights 15.3%
- Grey-fleet car travel 0.6%
- Rail travel 0.6%
- Taxi travel 0.1 %

By offsetting 10% more than our CO₂e we have managed to be carbon negative.

Measure: Kenya Tree Planting + Protecting the Amazon

Type: Reforestation and Reducing Deforestation (REDD+) Country: Kenya + Brazilian Amazon

Reference: CFP2

Result:

This project provides an opportunity to plant trees in Kenya as well as helping to protect the Amazon Rainforest – the largest remaining rainforest in the world. The Amazon is known for its amazing biodiversity; containing 10% of all species, including many endangered species.

For each tCO₂ being offset, one native tree is planted in the Great Rift Valley, Kenya and an additional tCO₂ is offset through the Brazilian Amazon Verified Carbon Standard (VCS) Reduced Emissions from Deforestation and Degradation (REDD) project to guarantee the emission reductions.

Over the last ten years, the project in Kenya has planted over 170,000 trees and rehabilitated over 160 hectares of the forest helping in restoring the water catchment ecosystem function of the forest. While doing this, over 20 community members who directly work in the forest make their livelihoods from the project. Many more from their families benefit from being dependent on them. The project includes an empowerment scheme, where the members are now owners of dairy cows from which they get additional income from the sale of milk to their villagers.

The project is strongly focused on empowering women, who make up over 50% of the project team.

Anti-Corruption

WildHearts Group (“the Group”) is committed to the practice of responsible corporate behaviour and to complying with all laws, regulations and other requirements which govern the conduct of our operations.

The Group is fully committed to instilling a strong anti-corruption culture and is fully committed to compliance with all anti-bribery and anti-corruption legislation including, but not limited to, the Bribery Act 2010 (“the Act”) and ensures that no bribes or other corrupt payments, inducements or similar are made, offered, sought or obtained by us or anyone working on our behalf.

In order to prevent any of our services being used (or potentially used) for any money laundering activity, as well as any of our staff being exposed to money laundering, our Anti-Money Laundering policy supplements the anti-money laundering training given to all members of staff.

The Group seeks to avoid Conflicts of Interest but, where they occur, we manage them by making appropriate reports to our management and abiding by the recommended actions to help resolve or manage them.

Our Conflicts of Interest policy is established to enable the Group to meet its legal and regulatory requirements by taking reasonable steps to minimise the likelihood of Conflicts of Interest occurring. All employees must be familiar with their responsibilities. The policy applies to all employees of the Group, all temporary staff, and contractors.

Our Financial Sanctions policy is designed to ensure we comply with applicable sanctions laws and applies to all employees for the Group, all temporary staff, and contractors.

Not only do these policies apply to staff, but they also form part of our Supplier Code of Conduct and Ethics. WildHearts will not tolerate any breach of any of these policies.

Implementation

The following behaviour is unacceptable, and must not occur within the Group:

- Give or promise any financial or other advantage to another party (or use a third party to do the same) on the Groups’ behalf where that advantage is intended to induce the other party to perform a particular function improperly, to reward them for the same, or where the acceptance of that advantage will in itself constitute improper conduct;
- Request or agree to receive any financial or other advantage from another party where that advantage is intended to induce the improper performance of a particular function, where the acceptance of that advantage will in itself constitute improper conduct, or where the recipient intends to act improperly in anticipation of such an advantage.

We must not:

- Deal with funds or economic resources owned, held, or controlled by a target (or where we know or have reasonable grounds to suspect that a target is holding or controlling those funds or economic resources);

- Make funds, financial services, or economic resources available, directly, or indirectly to targets;
- Make funds, financial services, or economic resources available, directly, or indirectly for the benefit of targets;
- Knowingly and intentionally participate in activities that would directly or indirectly circumvent the financial restrictions imposed by the sanctions regime or enable or facilitate the commission of any of the above.

Measurement of outcomes

Measure: Number of actual or suspected instances of breach of regulations.

Result: None