

UN Global Compact
May 2022

CEO Statement:

Entec International are proud to be both signatory to and contributing members of the UN Global Compact sustainable development goals (SDGs). We remain committed to supporting the UN Global Compact's Ten Principles and have placed the UNGC universal principles on human rights, labour standards, protection of the environment and anti-corruption, at the heart of our operations. Entec value and respect our staff, which is reflected in the exceptionally low turnover. In partnership with our global clients, Entec recognise the need for good business practices and CSR. Indeed, the entire business value proposition is based on improving efficiency and reducing waste for our customers, by optimizing MRO supply chains (cutting down on the number of shipments and avoiding them in some cases), which delivers a sustainable supply chain and reduces carbon emissions.

Statement of Support of the UNGC:

"At Entec we understand that corporate sustainability starts with our company's value system and having a principled approach to doing business. In practical terms this means operating in ways that, at a minimum, meet our fundamental responsibilities in the areas of human rights, labour, environment, and anti-corruption.

The global pandemic and long months of restrictions served to underline these principles. We worked hard to support and safeguard our centre and international employees and those of our clients, many of whom worked from home, and ensured that our customers' and suppliers' businesses suffered minimum impact during this challenging period. Embracing some of the learnings, from what might have been a negative experience, has provided a positive legacy and has increased flexibility in our ways of working.

As a responsible business we continue to enact the same values and principles wherever we have a presence, whether globally or locally, and we recognize that good practice in one area does not offset harm in another.

By incorporating the Global Compact principles into our strategies, policies and procedures, and by fostering a culture of integrity with our staff, in all markets, Entec companies are upholding our basic responsibilities to the people and the environment, we interact with daily, we are setting out to ensure we deliver compliant long-term success for Entec and for our customers".

Caring for our planet**Removing plastic packaging waste**

In 2018 Entec implemented a 'zero plastic forward' policy at its Midlands based warehouse in the UK, stripping out all plastic packaging from incoming products and replacing it with biodegradable alternatives before shipping overseas to customers in Africa, the Middle East, Australia and beyond.

Today, having invested in machinery which recycles old cardboard boxes into recyclable packing, on average **we remove and recycle 8000L of plastic packaging a month.**

A short video summarizing our action on tackling plastic wastes and sharing best practices can be seen on the Entec website, follow the link below:

<http://www.entec-int.com/entec-removes-plastic-packaging-from-supply-chains-to-africa/>

Chris Syner, Managing Director : "We have been doing business in Africa for over 30 years, most of the plastic pollution we see originates from outside the continent, so we felt that removing this plastic from our shipments was something we could do that was both ethically and environmentally responsible"

Waste Recycling

In addition to our “zero plastic forward policy”, Entec is committed to recycling all its industrial waste. Waste collection facilities for wood waste, taken from our case manufacturing facility, have been set up on site and are collected periodically for pellet manufacture. Entec is kept informed of the recycling usage of its waste stream and figures are monitored and communicated to our stakeholders within an annual statement.

Development of logistics emissions optimization calculator for Scope 3 reductions

As an MRO supplies integrator, sitting within Scope 3 for carbon emissions reduction, Entec realise that every shipment avoided is an emission event reduced. We set targets for Co2 reduction, within our customer specific business case for change. Benchmark data is collated, from an evaluation of clients existing ways of working, so that we can evidence month on month improvement. Entec are proud to be at the forefront of helping our customers eliminate excessive emissions within scope 3 of their MRO supply chain, demonstrating that an efficient supply chain is both business and environmentally valuable.

In 2019, we unveiled a sophisticated new tool, developed in co-operation with the Business School at the University of Southampton, which calculates CO2 reduction achieved through supply chain optimization, using real-time logistics data; it can report the emission savings in tons of CO2 emissions reduced. Our investment in this tool, to evaluate and improve the carbon footprint of customers’ supply chains, further demonstrates our own commitment to environmental sustainability.

Development of 3D Printing to reduce global logistics and waste

In 2021 Entec established a Knowledge Transfer Partnership with the University of Portsmouth to assess the potential of Additive Manufacturing (AM), or 3D Printing, to reduce waste and transportation within the spare parts supply chain.

A key objective in the project is to identify high physical volume, low weight items, suitable for AM, which could be produced next to the production line. The project will drive down air-freight usage, its associated costs and carbon output. Evidencing environmental value add can also improve the bottom line.

The project will follow the life-cycle of a product against the Environmental Management Systems standards as described in the ISO 14000 series, and will have a focus on enviro-economic effects of 3D printed suitable materials to ensure a sustainable solution is delivered in alignment with Entec’s environmental centric growth.

Caring for people

Delivering PPE supplies in Europe

Entec supported several clients and charitable concerns procuring, warehousing and shipping, essential PPE equipment, for use in our clients manufacturing and retail outlets, in the face of the COVID-19 pandemic. Some clients were in desperate need of specific PPE products that they had been unable to source, as supply security and export restrictions took hold.

For sites in the UK and Ireland alone, Entec procured and distributed protective products to over 20 food and beverage sites, also dispatching PPE to production and retail facilities all over Europe, including Poland, Romania, Greece, Spain, France, Netherlands, Germany, and Belgium.

By July, Entec had supplied one major beverage client with 2 million products, while also providing much needed PPE products to snacks manufacturing client sites in 7 countries in Asia Pacific, with further enquiries being handled for over 2 million items of additional PPE product for delivery across 4 continents.

A major global alcoholics beverage suppliers HOP commented *“A big THANK YOU for all of your support in helping us to source a number of needed items as we work to keep our employees safe during the Covid-19 pandemic. Entec has been a really supportive partner, and more specifically, incredibly proactive and responsive. We sincerely appreciate your hard work and support in these difficult times “*

Entec Director Mike Robinson comment: “Generally, the focus for our clients is parts procurement and supply but, in these challenging times, the need for PPE has joined MRO as an essential element keeping plants in production and employees safe, we are delighted to have been able to support our clients and their staff.”

Supporting crisis-hit India

In 2021, Entec responded to requests from major clients in India to source and ship desperately needed oxygen concentrators to India, where Covid-19 had created a humanitarian crisis.

Entec worked with its clients, and suppliers, to ship potentially life-saving equipment through the Indian Red Cross, in consolidations for several donors, and is proud to have been one of the largest suppliers in the UK to support the Indian Government through their High Commission.

Entec teamed up with medical equipment and services provider Openhouse Products, who donated first responder oxygen cylinders and bedding, helping to provide further much-needed support for ambulance teams during the crisis.

Case study: Logistics consolidation with Co2 reduction project.

In 2021, following the success of a pilot project in Ghana, one of the world’s largest producers of spirits and beers confirmed the benefits of lower cost and improved efficiency gained through a data led procurement and inventory management project Entec had been running and approved the roll out across it’s African and APAC operations.

Having achieved impressive results over the pilot year, **(an 81% reduction in shipments, lowering carbon emissions by 1890 tons, being just one measure)**, the project is now live across manufacturing operations in Africa and APAC operations will join the project in FY22.

Entec Project Manager Chris Cullen comments, “The project has opened opportunities for us to look at driving efficiencies with shared sites and regional hubs, taking full advantage of economies of scale. In addition to significant financial savings for the customer, the project delivers a considerable carbon emissions reduction which will increase as 3PMRO® is established across all sites in Africa.”

Entec’s Goutham Veerakumar is currently visiting client representatives in India to present the business case for 3PMRO® to the 13 sites on the sub-continent.

Entec will record and report these ongoing Co2 reductions and will report them annually from 2022

Human rights and labour standards

In 2019 Entec International celebrated its 30th anniversary and is proud to recognize over 300 years of combined service from 20 of our longest serving members of staff. We enjoy high levels of staff retention and loyalty due to our commitment to the well-being and fair treatment of our global employees

During the COVID-19 pandemic, Entec put in place, and still maintain today, stringent social distancing measures at the UK head office. Other measures included dividing admin teams into split shifts, to improve social distancing, frequent cleaning of work surfaces, and for those working from home, the company provided support with the equipment necessary to develop comfortable work spaces.

2022 and beyond

Entec continue to invest in our staff and systems, joining with our partner clients and suppliers to innovate further, using data to share assets, reducing supply chain emissions and increasing localised supply. Working with academic partners, we continue to develop efficient ways of working, using AI to optimise and shorten demand to delivery times and identifying the most cost and environmentally efficient routes.

About us:

Based in the heart of the UK, Entec International is one of the world’s leading authorities on MRO (Maintenance Repair Operations) parts procurement, supply and management for major companies operating

within complex global supply chains. Entec's 3PMRO® value proposition delivers best cost by leveraging global scale, reduces CO2 emissions through consolidated global logistics and optimizes MRO stock, freeing tied capital. We manage complex supply global, regional and local chains for some of the world's largest manufacturers, in over 70 different shipping destinations. Our customer base spans the food and beverage packaging, oil, gas production and mining & minerals industries.

For and behalf of Entec International Ltd:

Signed:



Michael Robinson