



CORPORATE SOCIAL RESPONSIBILITY REPORT

2019 / 2020



“ KEEP
IT SIMPLE,
AND
DELIVER ”



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LIVING OUR VALUES

The MCL Group 2019/20 'Living Our Values' Corporate Social Responsibility and Sustainability Report illustrates our efforts to advance our non-financial performance and promote greater economical and environmental sustainability where we live and work. We provide examples of how we are "living our values" to:

- » Invest in our people
- » Consistently exceed clients' expectations
- » Provide exceptional service
- » Continuously innovate
- » Be dependable and trustworthy in how we conduct business
- » Continue to work in partnership with our clients

Our vision is to be a responsible and transparent business in all areas in which we operate. We believe this vision is fundamental to the development and long term sustainable growth of our company. Our CSR policy encompasses the company's management of relationships with our employees, stakeholders, contractors, partners, clients and local communities and environments in which we operate.

Our approach to CSR supports our business model and sets out the essential core values we believe make The MCL Group a principled and ethical business partner. We set ourselves high CSR standards and recognise the importance of this to our clients. Our approach to CSR includes how

we conduct relationships with all of our stakeholders and the wider impact we can have on society and the environment. We undertake CSR related initiatives across our business portfolio and assets.



PEOPLE

We invest in our people, recruiting and training to the highest standards so that we have a skilled, qualified, motivated and rewarded workforce able to deliver flexible and high quality service to all our customers.

We identify **five** areas of CSR impact and opportunity:

ENVIRONMENT AND SUSTAINABILITY

We aim to make a positive contribution to global sustainability and the protection of the environment.

HEALTH & SAFETY

This is a core element of all activities and a natural priority.

EMPLOYEES

Our ability to develop and grow our business both commercially and sustainably, is linked to our priority to recruit, retain, develop and provide opportunities for our high calibre personnel.

COMMUNITY

Proactive and enduring relationships with the communities in which we work, do business, recruit from and contribute to, are essential and fundamental to us.

BUSINESS CONDUCT

We maintain robust policies in all matters concerning our business conduct, and place a high value on our business integrity.

The following section of this report considers each of these five areas of CSR impact and opportunity in more detail.

ENVIRONMENTAL AND SUSTAINABILITY MATTERS

We aim to make a contribution to protecting the environment in which we operate, and to minimise any adverse environmental effects of our operations. We:

- » Prevent or mitigate any harmful effects of our operations on the environment
- » Prioritise re-use and recycling throughout our operations
- » Continuously raise awareness amongst our staff and other stakeholders of the collective responsibility to meet the challenges presented by climate change through practical everyday means, such as recycling, saving energy and avoiding wasteful use of resources, such as paper, electricity, water and other consumables
- » Contribute positively to local community sustainability through all our business operations, this includes supporting local businesses within our supply chains and acting with integrity, honesty and being transparent in how we conduct business with them
- » Have zero tolerance of sharp business practices, whether amongst sub-contractors, within our supply chains or with our own staff

OUR APPROACH

We pride ourselves in our understanding and management of the environments in which we operate. We take our responsibilities to them very seriously throughout our business operations.

We have identified our most significant real or potential impacts on the environment as:

- » Transport - company vehicle usage
- » The disposal and recycling of waste (including paper, consumables and electronic equipment)
- » Energy and water usage
- » The purchase of consumables
- » Our maintenance of buildings

OUR COMMITMENT

We do our best to limit our impact on the environment throughout our business operations. We believe that through stringent environmental policies and investment in environmental projects, we can contribute to the overall international effort to diminish our collective environmental impact.

Our own investment in clean energy technologies and our adoption of clean energy vehicles is helping us make operational efficiencies and

minimise our emissions output. We actively seek opportunities to procure energy from renewable sources where possible, and encourage our people and our suppliers to identify and act on opportunities to improve our supply chain carbon footprint.

Our clients increasingly expect us to proactively manage our carbon emissions, and our reputation is influenced by our responsible business approach. Tackling and improving our environmental impact gives us a chance to innovate. It strengthens our reputation as a sustainability leader, and this differentiates us from our competitors. We also know from our internal analysis that our commitment to environmental sustainability improves employee engagement and increases our employees' view of The MCL Group as a great place to work.

Our commitment to reducing our environmental impact started with us measuring and monitoring a variety of key areas of our business' operations as well as our supply chain.

Our methods for meeting the objectives of our Environmental Management Programme include:

- » Maximising the reuse, recycling and sustainable disposal of waste
- » Minimising unnecessary energy usage and waste
- » Minimising the impact of company vehicle usage
- » Purchasing consumables in an environmentally sustainable and fair manner
- » Minimising unnecessary water usage and waste
- » Ensuring that buildings are maintained in a manner which minimises environmental impact

We have already made a significant contribution to reducing our environmental impact through purchasing the most economical and efficient vehicles for our fleet as well as the introduction of state of the art vehicle tracking technology to

ensure maximum efficiencies within our logistics planning. We have also made significant investment in a new internal e-based communications system to reduce the need to move people, documents and other resources physically over otherwise long distances, and increase the opportunity for e-conferencing, the electronic transmission of often lengthy documentation without the need for printing or carriage, and the non-wasteful control, order and disposal of stock.

The further development of e-solutions as a means of reducing our environmental impact will be a continuous priority for us well into the future. It is an excellent example of how we have and can continue to be more efficient, effective, responsive and competitive, through and because of a firm commitment to environmentalism.

OUR 2019/20 TARGETS:

We aim to further minimise our impact on the environment and deliver on our objectives by:

- » Continually improve performance in reducing water and energy consumption
- » Improve employee awareness of good environmental practices
- » Reduce employee and external company travel through increased use of innovative technology to facilitate secure video conferences in lieu of travel

"We pride ourselves in our understanding and management of the environments in which we operate."



INNOVATION

We strive to introduce new ways of working and to develop and adopt new products, services, and business processes that will deliver real benefits to our clients, a competitive edge for the company and more efficient and effective working practices for our people.



HEALTH & SAFETY MATTERS

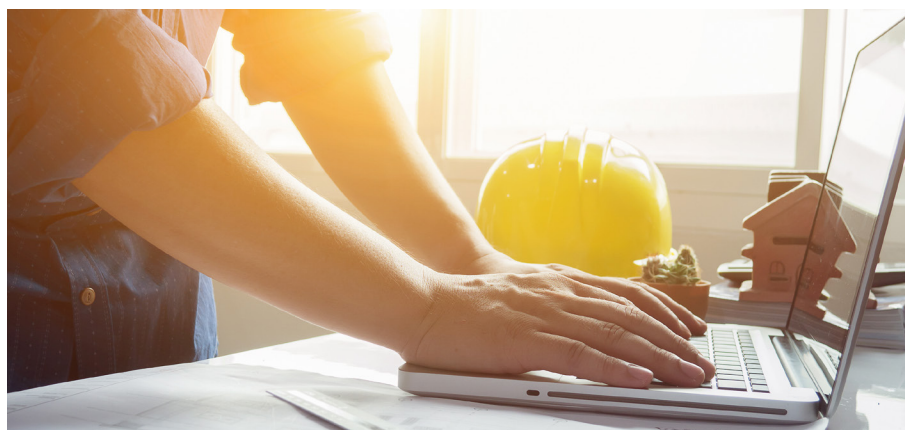
Given the nature of our business operations, Health and Safety is a natural priority and core element of all our activities.

As a business specialising in a diverse range of business environments, we are acutely aware of the potential risk of accidents and occupational illness to our people. Our goal, and

a key performance indicator of the company, is zero injuries to our employees.

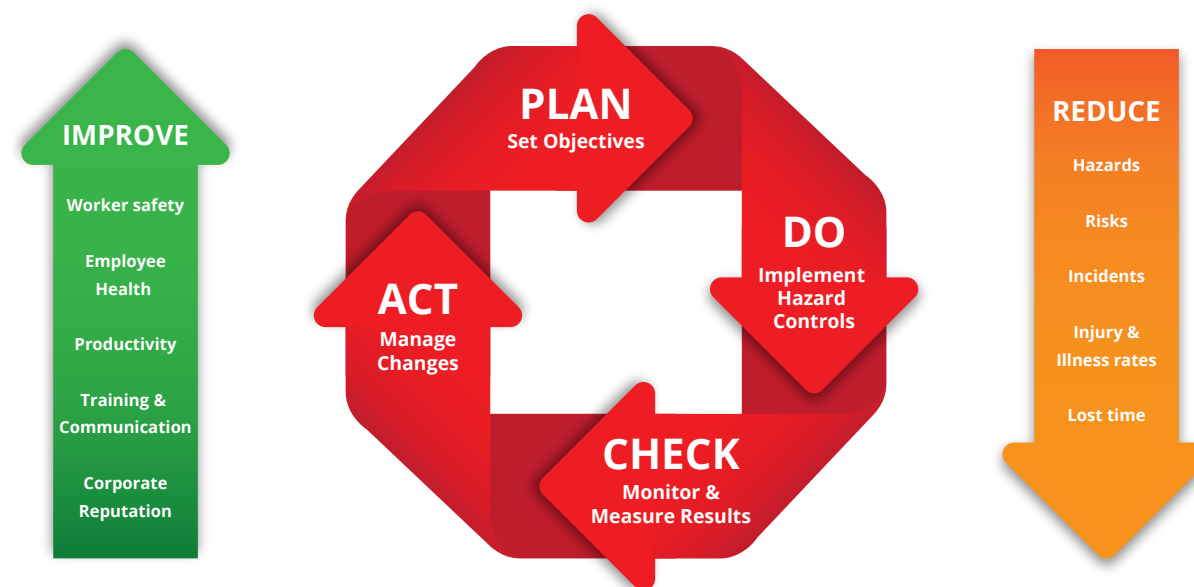
We aim to continuously ensure that important factors, such as an understanding of operational differences between clients and our interactions with external contractors and their health and

safety arrangements, are addressed in the development of our health and safety systems. Given the nature of our business operations and the associated responsibilities to our staff and our clients, we consistently maintain, develop and strengthen our safety systems as industry-leading safety systems throughout everything we do.



PERFORMANCE

We want to be the best at what we do: we consistently meet or exceed clients' expectations and performance targets, and our commitment to continuous improvement in all our business operations is second to none.



OUR APPROACH

We are very proud of our health and safety performance and believe it is a major influencing factor in making us a partner of choice amongst clients. Safeguarding people and ensuring all our operations are designed and managed properly to high international standards, is always at the core of how we do business.

In implementing health and safety systems we prioritise the need to empower our employees to intervene in the undertaking of any work process they believe unsafe.

Our approach to protecting our employees pays specific attention to:

- » Maintaining healthy and safe premises and other working environments
- » Providing and maintaining safe systems at work
- » Providing health and safety information and training to all staff
- » Publishing and regularly updating our Company Safety Policy
- » Ensuring safety in the use of articles and substances
- » Conducting special risk assessments for expectant mothers, new mothers and young persons
- »

» Providing such information, training, instruction and supervision as is necessary to ensure the health and safety at work of all employees

OUR 2019/20 TARGETS:

» Implement an effective H & S consultation committee, to participate in the Health and Safety across the organisation

» Safe Driving - to reduce accidents by implementing a safe driving programme for employees driving of MCL Group or divisions business

» Zero tolerance for mobile phone conversations whilst driving for both employees and clients to reduce risk

"We consistently maintain, develop and strengthen our safety systems throughout everything we do."





EMPLOYMENT MATTERS

Our ability to remain an industry leader is directly linked to our ability to recruit, motivate, retain, develop and incentivise the highest calibre of staff in the industry.

It is of critical importance to us that our relationship with our employees, and their working relationships between themselves, clients and communities, are positive, respectful, cohesive, safe and effective. This includes a high level of expectation that all our employees respect different cultures, traditions and employment practise across

our areas of business. This extends beyond work cultures and practices, to promoting equality and diversity as a shared value throughout the company, including in relation to gender, race, ethnicity, disability, religion or sexual orientation. We firmly believe that equality and diversity is an integral part of CSR.



SERVICE

We provide exceptional service, tailoring our delivery to respond to the precise requirements and business priorities of our customers: we always deliver to the highest standards of customer service and care.

We:

- » Share common goals with our employees and contractors, including a shared commitment to corporate values and responsible behaviour
- » Always act in compliance with national and international law, regulatory requirements and best practice in all our dealings with our staff
- » Recognise employee achievements and create opportunities for individuals at all levels of our business, through a company culture of personal development and internal promotion – we nurture and reward talent and company loyalty as the best means of keeping hold of the best staff in the industry, and we only ever recruit and promote on the basis



OUR APPROACH

All employees are well-motivated to develop and grow professionally within a flexible framework. They are encouraged to provide feedback on their experiences in working for us, and on their personal goals and expectations in the company. Training of employees and contractors continues to receive high priority in 2019, and we will continue to invest heavily in our employees as our major asset. We know the strength of the business case for investing in the development of our workforce, not least as a means by which to:

- » Help individuals achieve their full potential and bring out their best
- » Foster a strong sense of loyalty to the company and a drive to work well and contribute
- » Produce efficiency savings, including reducing time lost through sickness absence and injury
- » Encourage employees to identify opportunities for improving work methods and our business
- » Promote and develop transferable skills, a broad range of lifelong learning and a thirst for learning and personal advancement
- » Create and retain a knowledgeable, skilled, productive and happy workforce
- » Maintain our forward-thinking, innovative culture where employees are encouraged to develop processes and systems

to ensure the most efficient ways of working are adopted

Our Approach Prioritises:

- » Maintaining a working environment free from unlawful discrimination, victimisation and harassment, in which all employees are treated with dignity and respect
- » Periodically reviewing selection criteria and procedures, and upholding a system where individuals are selected, treated

and promoted solely on the basis of their merit and ability

- » The continuous development, promotion and advocacy of our equality and diversity policy, always putting policy, ideas and values into practice
- » Providing the facility and opportunity for any employee who believes they have been treated unfairly or unreasonably, to be able to raise the matter through the appropriate procedure, without fear of reproach

“Training of employees continues to receive high priority in 2019, and we will continue to invest heavily in our employees as our major asset.”

OUR 2019/20 TARGETS:

We aim to maximise our employee engagement, productivity and morale by:

- » Building on the investment of talent and leadership by enabling our managers to make selection and promotion decisions based on consistent and objective criteria, removing unconscious bias and focussing on behaviour
- » To implement effective communications channels, to increase employment involvement and engagement to build substantial talent for the future
- » Introduce employee value proposition that support the health and well being of our employees.

»

COMMUNITY MATTERS

Alder Hey
CHILDREN'S CHARITY



foodbank



Save the Children



It is important to us that relationships with local communities are conducted sensitively and with mutual respect. These relationships are a central and fundamental element of our business approach. We place a high value on sharing the social and economic benefit of our business activities with local communities, not least through the conduct of proactive community relationships.

OUR APPROACH

We are proud to support local community projects and a range of very deserving charitable causes. This includes:

- » Direct financial donations to a number of selected charities. This has included national charity events such as Save the Children's Christmas Jumper Day and Jeans for Genes Day.
- » We also support a variety of smaller local community charities in the geographical areas we operate including local Food Banks
- » Support for employee fundraising initiatives, for example our management and executive team are taking part in a sponsored

London to Paris cycle challenge and Vietnam to Cambodia cycle challenge to raise funds for Alder Hey Children's Hospital in Liverpool. This support includes providing time flexibility for staff to participate in the different events, and of course the sponsoring of our participants

- » Providing information and advice for employees who wish to take part in charity fundraising events, for example in relation to the Workplace Giving UK Scheme, enabling our employees to give tax effective donations to the charity of their choice
- » Always being vigilant of ways and opportunities we can play our part within the community

OUR 2019/20 TARGETS:

We will:

- » Continue to support local charitable campaigns, specifically in Merseyside, where we have a major office presence
- » Ensure we continue to recruit locally, and develop and invest from the local community, including from minority or under represented groups



PARTNERSHIP

We believe in working in partnership with our customers, listening carefully to what they want and need, being open and collaborative in our approach and responding rapidly and flexibly to deliver bespoke solutions to meet customer requirements.





BUSINESS CONDUCT MATTERS

The MCL Group is resolutely opposed to bribery and corruption in whatever form it may take. We operate strict corporate gifts and entertainment policies and guidelines, to ensure anything offered and accepted is consistent with business practice, and cannot be interpreted as a form of inducement.

It is our strict policy that revenues, purchases and services from suppliers are made solely on the basis of price, quality, performance, value and their benefit. Sales, purchases or awards of contracts are never made as the result of giving or receiving inducements in the form of gifts, money or entertainments from third parties or favours in any other form.

Employees are clear that they should never accept gifts, money or entertainment from third party organisers or individuals, where these might be reasonably considered to be likely to influence business transactions. Gifts other than trivial ones of low value are not accepted under any circumstances. Employees are clear that acceptance

of any inducements to award contracts, supplies, sales agreement, employment or preferential treatment is a serious disciplinary offence and entirely counter to the company's integrity.

TREATMENT OF CLIENTS

We regard mutual trust and confidence with our contractors and clients as very important. We require employees to deliver high levels of service consistently, surpassing client expectations and meeting clients' changing requirements in a flexible response way.

RELATIONS WITH SUPPLIERS

We ensure that all of our suppliers are treated fairly and responsibly. We understand that being a responsible business in the marketplace is about achieving success by treating customers and suppliers fairly and with respect. We believe that



INTEGRITY

We are honest, open and upright in all our business transactions. We are dependable, trust-worthy and committed to treating all our people, clients, sub-contractors, stakeholders and the communities in which we work with respect.

achieving success without integrity is failure. All potential suppliers will have a reasonable opportunity to win business with us. We aim to pay our suppliers on time and in accordance with agreed terms of trade. Suppliers are always required to conduct their activities in accordance with our own policies.

COMPETITION

We always aim to compete fairly, responsibly and vigorously with our competitors, and to ensure that our success is built upon excellence. When in contact with our competitors, employees are required to avoid disclosing confidential information, and we will not make improper attempts to acquire competitors' trade secrets or other confidential information. Our employees will not undertake any competition practices that may conflict with laws applicable to the conduct of our business.

"We always aim to compete fairly, responsibly and vigorously with our competitors, and to ensure that our success is built upon excellence."



OUR APPROACH:

We are committed to procuring works, goods and services in an ethically and environmentally sensitive way, with proper regard to commercial obligations, and ensuring that suppliers deliver to agreed timescales, quality and cost. Purchasing is undertaken in a manner that encourages competition, and offers fair and objective evaluation of offers from all potential suppliers. The purchase of goods and services with an annual value in excess of £100,000 excluding VAT will be conducted according to the following principles:

- » Completion of a business case to evidence the need to purchase
- » Procurement practices will be transparent, auditable and fair
- » Research will be conducted to ensure a clear understanding of the risks associated with the purchase of goods and services, and purchasing decisions will include contingency and risk mitigation strategies
- » Tendering is based on both quality and cost, and is evaluated in a fair, objective, and structured manner that actively encourages competition
- » Small and local organisations will be encouraged to participate in the procurement process
- » Company employees responsible for purchasing will not accept corporate gifts, or any type of solicitation that could be construed as enticement
- » The procurement process demonstrates that the approach taken to competition is rigorous, balanced and driven by service needs and market intelligence
- » Potential suppliers are ethical, sensitive to the environment and operate within EU and UK legislation
- » Suppliers are able to demonstrate their ability to deliver continuous improvement and cost savings throughout the life of the contract
- » Business transactions will, where possible be conducted electronically



OUR 2019/20 TARGETS:

- » Employees need a means by which to raise their concerns about unethical, unsafe or unlawful practices. Therefore, we will develop a 'Speak Up' email to educate and enable employees to report any concerns they have observed or suspect with regards to misconduct.
- » We will ensure that the procurement procedure for selecting suppliers and contractors is open, fair and transparent and regularly update the company's ethical code to ensure it remain relevant
- » We will continue to build and maintain an ethical culture through communicating ethical values and rewarding ethical behaviours with all of our new employees. This can be achieved by reviewing and discussing the ethical code with employees during the induction phase of their employment.



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