

Premier Farnell plc Supply Chain CSR Policy: Suppliers of Products and Services for Internal Use

Stakeholders

Premier Farnell believes that the stakeholders for its approach to Supply Chain CSR are:

- Premier Farnell plc shareholders, and the investment community at large
- The employees of the Premier Farnell Group
- Supplier of goods and services to Premier Farnell that are not directly for resale to
- Potential future employees

We welcome, and continue to actively encourage, open feedback and consultation on this policy from any interested parties via email to swebb@premierfarnell.com.

Our vision

At Premier Farnell we believe that Corporate Social Responsibility is about the sustainable development of our business - balancing our responsibilities to our shareholders, the environment and society.

We focus on our environmental impacts, the communities we operate in, our people, trading ethically with our customers and suppliers and the health and safety of our employees.

Support for The United Nations Global Compact

Premier Farnell is a signatory to the principles of the United Nations Global Compact. We acknowledge the importance of business action on the environment, human rights, labour and anti-corruption. We encourage all suppliers to Premier Farnell Group companies to consider their position on these global issues, and if they feel appropriate, make a public statement of their support by signing the Compact.

Scope of this document

This policy applies to Supplier Partners of Premier Farnell Group companies, from whom we purchase goods or services that are not resold directly to customers.

Core Impacts

We have identified the core impacts which are important to Premier Farnell and which we believe we can mitigate through our supply chain:

- **Paper**; used in the production of our catalogues and marketing activity
- **Greenhouse Gas Emissions**; from the provision of services
- **Waste**; reducing the generation and disposal of waste from our supply chain

Priority Suppliers

In order to drive our sustainable procurement strategies, we will prioritise our largest suppliers of goods and services in a given area. This is where we believe we have the greatest opportunity to drive positive change and to influence the greatest initial reduction in impact, generating greater momentum for change in the supply chain.

Paper

One of our principal environmental impacts is the use of paper in the publication of our product catalogues and marketing material. We take a proactive approach to reducing the environmental impact of our publications whilst taking into account economic and market factors.

Premier Farnell goes to market via a combination of printed matter (catalogues, direct mail) and eCommerce solutions (online catalogues, eProcurement, e-shots etc).

The following policy and guidelines aim to mitigate the impact of our paper printed publications on the environment throughout their lifecycle by setting appropriate minimum standards for:

- Production
- Paper
- Print
- Distribution
- Fulfilment
- Mailing
- Recycling

It is our policy to

- engage with suppliers of paper and print who can demonstrate their commitment to mitigating the environmental impacts of their production processes through their certification to a recognised and properly managed and audited scheme;
- specify either virgin paper from certified, sustainable sources or recycled paper with the highest available post-consumer recycled content according to cost considerations and the production constraints of individual publications;
- only place contracts with printers who have a published environmental policy and recognised environmental certifications;
- specify that the packaging used for protecting catalogues and direct mailers in the delivery system is manufactured with recycled and recyclable materials and to maintain up to date customer data which ensures that the publication is relevant to the end customer thereby minimising wastage.
- encourage our customers to recycle all publications and packaging at the end of their lifespan.

Specific details around paper procurement requirements can be found in the document "Premier Farnell Paper Publications – Environmental Policy and Guidelines" at http://www.premierfarnell.com/premier_farnell/csr

Greenhouse Gas Emissions

We have defined our carbon footprint in terms of the primary activities over which we have direct control and have a carbon reduction programme underway in all our major facilities. We have included all our activities from the receipt of products into our warehouses to their despatch to customers, including the production of catalogues and marketing material, our use and disposal of packaging, business travel and the energy required to operate our facilities.

It is sound practice for businesses to measure and work to reduce their environmental risks and impacts. This can be both a source of cost savings and environmental benefit, and we strongly encourage all suppliers, where practicable, to measure and report on their GHG emissions and work to achieve reductions.

It is our policy to engage with our suppliers to understand how we can reduce to the most practical and economic level the frequency of their deliveries to our premises within the constraints of buying cost-effectively in order to minimise the carbon emissions generated.

We also wish to engage with our logistics providers in order to understand the greenhouse gas emissions associated with the delivery of our products from our distribution centres to our customers, and to identify opportunities to reduce these emissions where practicable.

Waste

It is our policy to minimise the volume of waste which goes to landfill. Where possible we re-use waste packaging and, where this is not achievable, we ensure that it is sorted and recycled.

It is our policy to reuse, recycle or properly dispose of waste pallets and scrap products in compliance with applicable and relevant environmental laws and regulations. Common scrap products generated include electronic components and chemical products (cleaners, adhesive, solder, flux etc.).

Management

In order to implement the supplier CSR policy our commercial teams in sales, marketing, product, supplier management and supply chain teams receive training to raise their awareness and understanding of the opportunity of embedding sustainability into our supply chain. Where appropriate, objectives are set for employees with specific responsibilities for ensuring sustainable procurement practices.

Due Diligence and Communication Expectations

Premier Farnell believes that thorough due diligence processes and honest communication can contribute positively to eliminating issues in the supply chain without compromising the livelihood of those who depend on it in order to provide for themselves.

We expect that all Supplier Partners with whom we do business will communicate honestly and openly with us regarding any issues in their supply chain which could impact or contravene our Supply Chain Policy as soon as possible after the issue is identified.

To this end, it is our policy that all suppliers to Premier Farnell Group companies should inform their Premier Farnell contact if they become aware of any issues contrary to the principles set out in this document, in order that we may collaborate to achieve a satisfactory solution.

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