

ARROW COUNTY SUPPLIES

OPERATING FOR HUMANITY

ENVIROMENTAL, SOCIAL & GOVERNANCE IMPACT REPORT | 2023

ANNUAL ESG REPORT | 2023



Arrow
COUNTY SUPPLIES

OUR VISION

PROVIDING HYGIENE FOR HUMANITY.

OUR MISSION

To be the industry's cleaning and janitorial supplier of choice, providing innovative cleaning products and services that help people **WorkSmarter.**

AT A GLANCE

Independent company

4 generations family ownership

48 years experience

83 employees

1 acquisition

98% fulfilment rate

7,600 delivery locations

A MESSAGE FROM OUR MANAGING DIRECTOR

Since our founding in 1976, our company mission has always been to “provide hygiene for humanity”. This integrated approach has enabled us to become a true supply partner, working collaboratively with our suppliers and customers to ensure everything we do delivers maximum benefit to the planet, to our people and to our wider community.

We take our role operating “for humanity” seriously, and believe we have a responsibility to embed sustainable practice across our operations. Our focused approach means strong environmental and social governance is at the heart of the Arrow Way, and we are continuously working to enhance our product, packaging, and delivery processes to meet the evolving needs and requirements of the cleaning and janitorial industry.

In this report you will discover some of the many initiatives we have introduced to support our “For Humanity” strategy, focusing on our core Planet, People and Community pillars – reflecting our holistic approach to Environmental, Social and Governance (ESG) principles.



Bruce Blackledge
Managing Director



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OPERATING FOR HUMANITY

About our ESG strategy

Building on our company mission – to provide hygiene for Humanity – our “For Humanity” ESG strategy outlines how we work with the planet, our people and communities to enhance our environmental and social impact throughout our value chain.

OUR 3 “FOR HUMANITY” PILLARS >

PLANET

Minimise negative environmental impacts and become a **Net Zero business by 2040.**



PEOPLE

Deliver an **outstanding employee experience** and provide a **flexible, inclusive working environment.**





COMMUNITY

Develop an **ethical, sustainable supply chain** and **positively impact on local communities.**

2023 AT A GLANCE

PLATINUM

Investors in People accredited

97%

UK & EU based supply chain

GOLD

EcoVadis rating

£383,671

donated to charity

4.86%

Emissions intensity reduction

42%

Increase to sustainable Greenleaf product sales

544

Greenleaf products

PLANET

Minimise negative environmental impacts and become a Net Zero business by 2040.

OUR OBJECTIVES >

AT A GLANCE

OBJECTIVE 1

Achieve **90% sustainable Greenleaf product sales by 2025**, with 100% Greenleaf-approved products.

OBJECTIVE 2

Reduce the impact of company vehicles, buildings and supply chain, targeting **Net Zero carbon by 2040**.

OBJECTIVE 3

Reduce organisational waste and reduce our resource consumption by **20% by 2025**.

OBJECTIVE 1

PROMOTING SUSTAINABLE PRODUCTS

INTRODUCING GREENLEAF

In 2021, we launched our 'Greenleaf' sustainable product programme. All products undergo a formal 'Greenleaf' assessment as part of our product selection process, allowing us to closely monitor and report on product sustainability.

Our Greenleaf selection methodology allows us to easily and objectively identify products delivering environmental improvement, and promote sustainable product selection by our customer – resulting in an **42% increase to Greenleaf product sales** between 2023 – 2024.

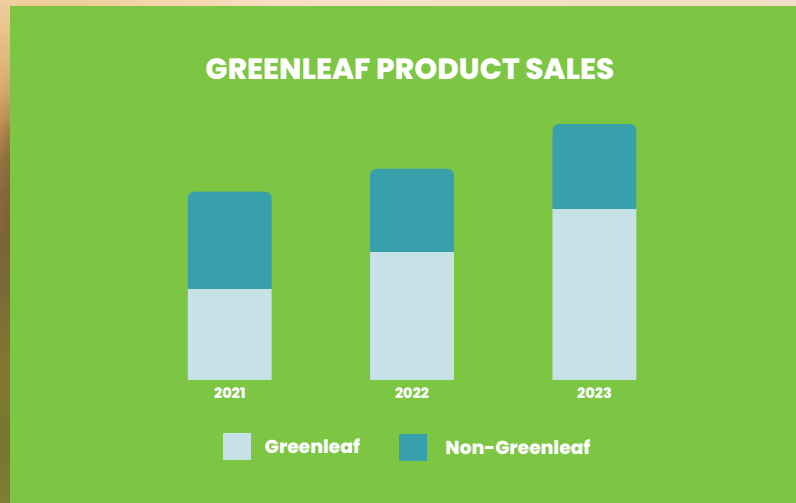


OUR SELECTION CRITERIA

All Greenleaf products must meet at least 1 of the following criteria:

- Products reducing resource use
- Products made from recycled materials
- Compostable/recyclable products
- Products using recycled packaging
- Products produced sustainably
- Products with environmental certifications





MAKING SUSTAINABLE PROGRESS

Greenleaf product sales represented **68% of our 2023 turnover**, putting us on track to achieve our target of 90% Greenleaf product sales by 2025. Additionally, we are proud to have **increased our Greenleaf portfolio by 20% in the last 12 months**, with **544 Greenleaf-approved products**.



COLLABORATIVE GREENLEAF PROGRAMMES

As part of our account management service, we manage a range of customer-specific 'Greenleaf Programmes' to reduce environmental impact of products supplied, providing bespoke sustainability analysis and improvement recommendations to minimise environmental impact.

Liverpool Museum Trust (pictured above) were able to increase percentage of sustainable products purchased to 90% of their portfolio - contributing towards their 'Team of the Year' award at the 2023 National Museums & Heritage Award.

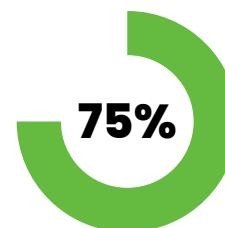
ENHANCED SUPPLIER SELECTION

2023 saw further development of our ISO:14001-accredited supplier selection process, increasing focus/weighting of key sustainability metrics.

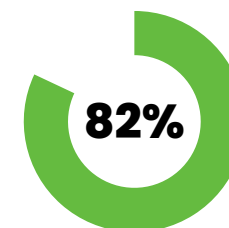
All suppliers are assessed and scored based on their approach to key environmental issues, including single-use plastic reduction, carbon reduction and waste management, before being assigned a supplier sustainability weighting – increasing transparency within our supply chain and ensuring our suppliers support our ESG agenda.

ISO CERTIFICATION

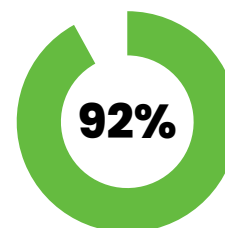
Arrow are ISO:14001, ISO:45001 and ISO:9001 accredited, reflecting our compliance and commitment to continuous improvement.



75% suppliers have an A/B sustainability ranking, indicating that sustainability is integrated through their operations.



Tier 1 suppliers hold ISO:9001 or ISO:14001 accreditation.



92% suppliers are UK-based, reflecting the impact of our 'Keep It Local' focus on shortening product supply chain.



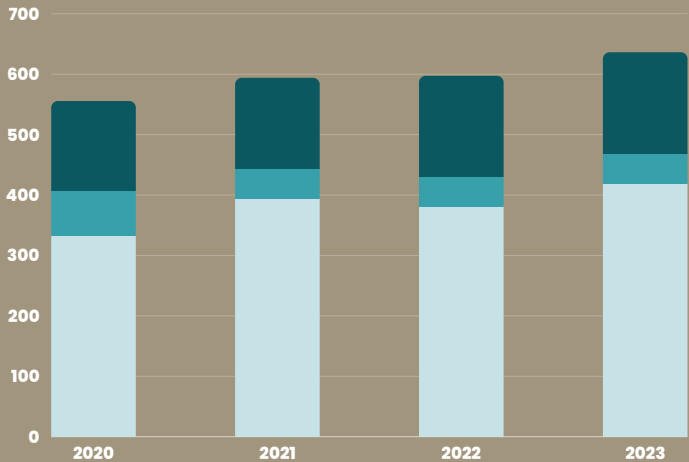
100% Tier 1 suppliers hold specific environmental accreditations, including Cradle to Cradle, Ecolabel, ISO and EcoVadis.

OBJECTIVE 2

REDUCING
CARBON
IMPACT

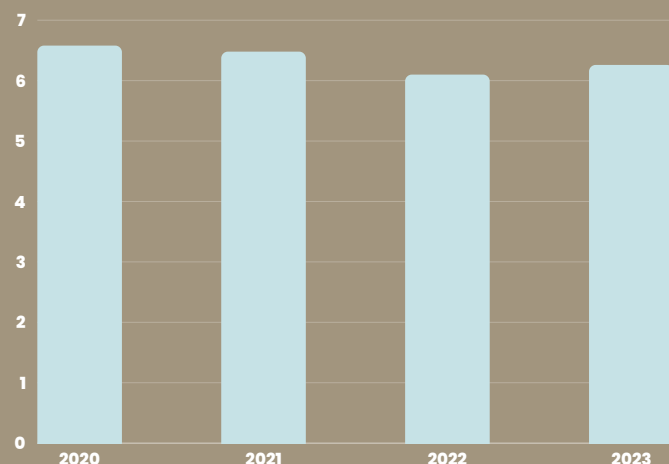
Our 2023-2040 Net Zero roadmap includes emissions targets for direct and indirect activities, categorised according to the Greenhouse Gas Protocol initiative.

We are currently working with an external consultant to develop our 2023-2040 Net Zero roadmap, including detailed emissions reduction targets for all direct and indirect activities.



SCOPE 1, 2 & 3 EMISSIONS SINCE 2020
(in tonnes Co2e)

Scope 1 Scope 2 Scope 3



CARBON EMISSIONS INTENSITY REDUCTION SINCE 2020

(per employee)

Since our baseline year (2020), we have reduced our carbon emissions intensity per employee by 4.86% (from 6.58 tCO₂e to 6.26 tCO₂e per employee)

**We have reduced
building emissions
by **33.86%** since our
2020 baseline**

CARBON REDUCTION PLAN

Our Carbon Reduction Plan outlines our approach to climate change mitigation and strategy to achieve our Net Zero target.

Scan the QR code below to read our full 2023–24 Carbon Reduction Plan.



REDUCING IMPACT OF OUR FACILITIES

By reducing our building impact, we are able to directly impact our carbon footprint – adopting cleaner energy and reducing onsite emissions to minimise our carbon impact.

RENEWABLE ENERGY

We have transitioned to 83% Renewable Energy Guarantee of Origin (REGO)-certified energy via transfer to certified green energy provider EON, in line with our plan to achieve 100% renewable energy by 2028.

LED LIGHTING UPGRADE

We have successfully upgraded all lighting at our central office and spoke distribution hubs to LEDs, including time, light and motion sensors to minimise energy consumption.

ZERO-EMISSION WAREHOUSE

We operate a zero-emissions to air warehouse, with 100% electric manual handling equipment – investing in lithium ion manual handling equipment to further reduce onsite energy consumption.

REDUCING IMPACT OF OUR VEHICLES

Delivery of goods is one of our core carbon areas, and we are continuously reducing our carbon impact through route-optimisation and low-emission vehicles (100% EURO 6 certified).

SMART TRANSPORT PLANNING

We have invested in 'smart' transport and logistics planning systems, **reducing our yearly fleet emissions by 9% (40,626 kg CO2 reduction).**

ELECTRIC/HYBRID VEHICLE INVESTMENT

10 out of 19 company cars are now electric/hybrid vehicles, meaning 53% of our company fleet meets certified zero/low emission vehicle standards.

NEW SCOTTISH SPOKE DEPOT

We successfully opened a new Scottish depot, allowing us to operate local pick, pack and delivery to our Scotland and North customers – reducing regional carbon impact.



We have installed telematic tracking technology across all delivery vehicles as part of our 'Carbon Impact' programme.

Vehicle emissions are monitored against carbon reduction targets on a daily basis, and targeted improvement plans implemented to manage any higher-emission delivery runs – **on average, reducing customer carbon profiles by 20%.**

CARBON IMPACT IN ACTION

Using our Carbon Impact Programme, we helped a large NHS Trust consolidate multiple ward deliveries into a 4-week delivery schedule, reducing carbon emissions per delivery to just 000657 tCO₂e.



WEST MIDS NET ZERO PLEDGE

Arrow have joined and signed the West Midlands Combined Authority (WMCA) Net Zero Pledge.

The West Midlands aims to lead the green revolution and become a net zero carbon economy by 2041. Their Net Zero Pledge is designed to support businesses in taking action against climate change.

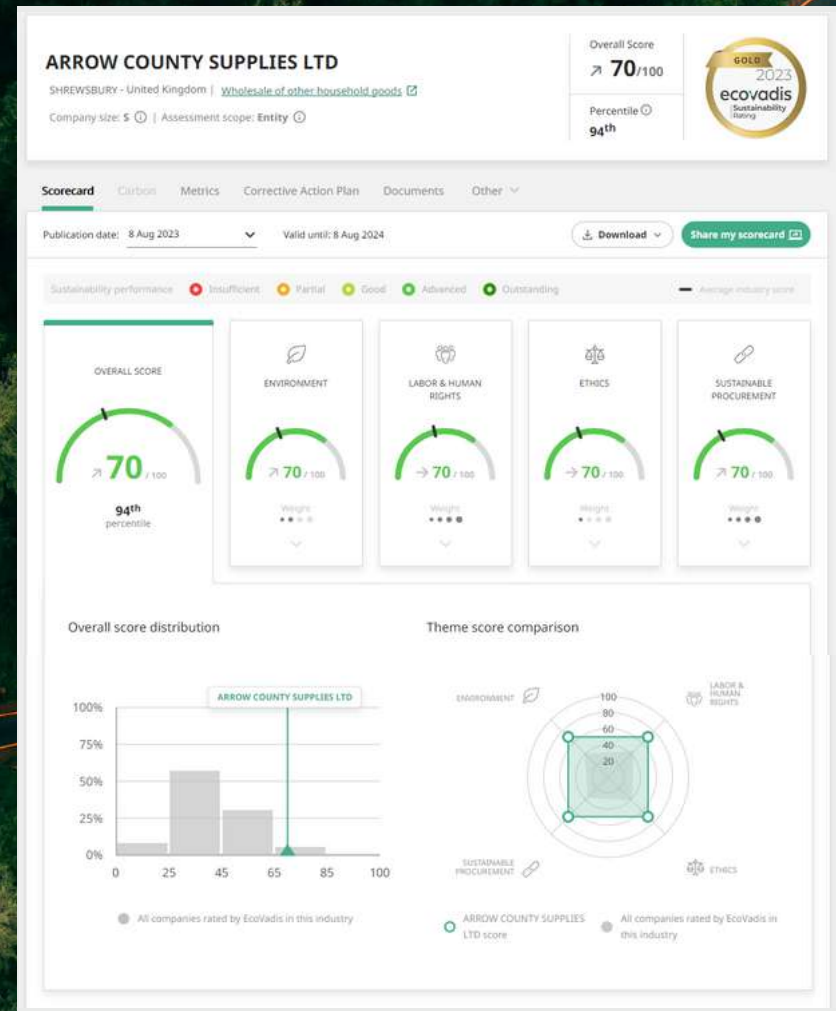
By signing up to the pledge, we're aligning our carbon reduction strategy with the goals of over 100 organisations across the West Midlands – supporting powerful, collective action to achieve a Net Zero future.



ACHIEVING ECOVADIS GOLD

Arrow has been working with EcoVadis for 3 years to evaluate and improve our sustainability performance, maintaining a continual cycle of improvements and actions that have enabled us to achieve Gold-level rating – a significant milestone in our “For Humanity” journey.

We are pleased to announce we have successfully advanced from EcoVadis Silver to Gold, placing Arrow in the top 2% of 85,000+ companies assessed by EcoVadis – validating our sustainability performance against a global sustainability ranking.



OBJECTIVE 3

DRIVE A CIRCULAR ECONOMY

PRODUCT PACKAGING

We closely monitor our packaging process to ensure product packaging is minimised, maintaining in-house recycling facilities to ensure any waste packaging/packaging offcuts are fully recycled.



PACKAGING COMPOSITION

We have implemented minimum mandatory standards for all suppliers in relation to packaging composition and recyclability, with all product packaging required to be minimum 85% recyclable and 30% biodegradable.

Additionally, we are focused on increasing the recycled content of our product packaging, with 100% plastic product containers now including minimum 30% recycled/PCR plastic – compliant with Plastic Packaging Tax regulations.



We have switched to 100% recycled and 100% biodegradable tape when packaging our Andarta® chemicals.



PALLET REUSE

We reuse all our wooden pallets, in partnership with local recycling partner Shropshire Pallet Recycling – returning 250 waste pallets to the circular economy in 2023.



PAPERLESS DELIVERY NOTE SYSTEM

This year, we have successfully rolled out our paperless delivery note system, with signed delivery notes digitally shared with customers – reducing paper used per delivery by 50%.

LOOKING AHEAD

Moving forwards, we are looking to trial reusable packaging solutions, including use of returnable tote boxes and delivery cages – supporting delivery of a zero-waste service to our customers.

PEOPLE

Deliver an **outstanding employee experience** and provide a **flexible, inclusive working environment**.

OUR AMBITIONS >

AT A GLANCE

OBJECTIVE 1

Invest in workforce development and support our staff in reaching their full potential.

OBJECTIVE 2

Provide a **flexible, inclusive and empowering working environment** for all our employees.

OBJECTIVE 3

Promote employee wellbeing, and ensure our staff feel happy, safe and supported in their roles.

OBJECTIVE 1

EMPOWERING & ENABLING EMPLOYEES

We're committed to creating a positive working environment that ensures our employees excel. By investing in our workforce, we improve both our culture and the quality of service provided to our customers – reflecting how people are at the heart of the Arrow Way.

INVESTING IN PROFESSIONAL DEVELOPMENT

All staff are supported by an individual training plan to support ongoing professional development, with all training courses fully funded by Arrow (**investing £40,000 in staff training in 2023**).



OBJECTIVE 2

SUPPORTING STAFF WELLBEING

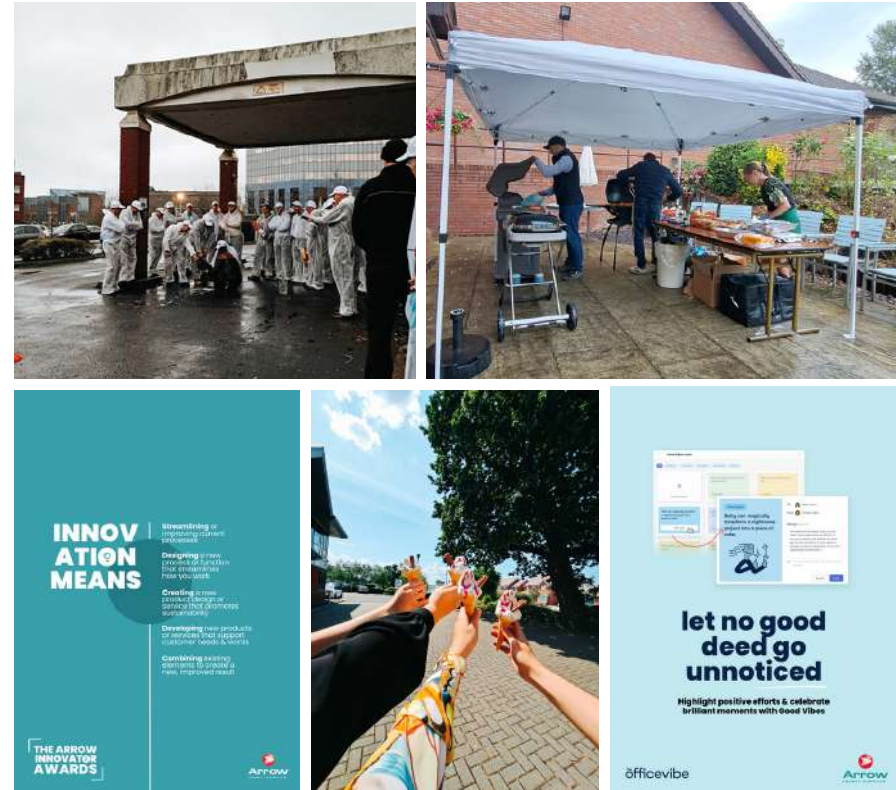
We proactively promote employee voice through our dedicated 'The Circle' employee group, creating an equal opportunity platform to make suggestions and recommendations for improvements and opportunities.

'GOOD VIBES' PLATFORM

Our online 'Good Vibes' platform encourages employees to send 'Good Vibe' cards recognising and rewarding positive attitudes and behaviours, driving a positive culture.

ARROW INNOVATORS PROGRAMME

Our dedicated rewards scheme promoting and encouraging staff innovation across all areas of the business – implementing 2 successful staff innovations this year.



STAFF WELLBEING INITIATIVES

This year, we launched a dedicated staff mental wellbeing support programme in partnership with Shropshire Mental Health Support, with initiatives including an onsite Wellbeing Van and staff benefits programme.

INVESTORS IN PEOPLE®

We invest in people Platinum

Investors in People is the leading standard for people management, assessing how organisations are performing in terms of their leading 'We invest in people' Framework.

This year, Arrow were delighted to make the step up and achieve Investors in People Platinum accreditation – reflecting our commitment to going above and beyond in leading, supporting and improving our people.

Platinum accreditation places Arrow in the top 6% of organisations holding a Platinum accreditation, demonstrating the strength of our workplace culture in delivering an exceptional employee experience.



This year's National Investors In People Awards also saw Arrow finish as finalist in 2 categories, and take home a win in the Young Person of the Year Award – showcasing the talent at the heart of Arrow.

OBJECTIVE 3

SUPPORTING EQUALITY, DIVERSITY & INCLUSION

We proactively work with our recruitment partners to ensure our recruitment process encourages diversity, building EDI considerations into recruitment through targeted job advertising placement.

EDI TRAINING PROGRAMME

All staff receive dedicated EDI training on induction and biennially, with supporting policies reviewed as part of induction training to drive an equal culture.



56.13 hours

EDI training completed in 2023



DISABILITY CONFIDENT ACCREDITED

The Disability Confident schemes aims to help employees make the most of the opportunities arising from employing disabled persons.

As an accredited Disability Confident Committed Employer, we proactively support disabled employees, making positive adjustments to ensure our workplace is accessible to all.



PROMOTING MENTAL HEALTH AWARENESS

This year, we launched a dedicated internal awareness campaign to help break down the stigma surrounding mental health and promote a positive working environment, supporting mental health awareness through a company-wide 'Wear It Green' day and partnership with the Shropshire Mental Health Service.

COMMUNITY

Develop an **ethical, sustainable supply chain** and **positively impact local communities**.

OUR OBJECTIVES >

AT A GLANCE

OBJECTIVE 1

Support local communities where we operate via **joint community impact programmes**.

OBJECTIVE 2

Drive local employment and economic growth through local supply relationships.

OBJECTIVE 3

Develop sustainable supply chains, taking a 'keep it local' approach to supply where possible.

OBJECTIVE 1

GIVING BACK TO COMMUNITIES IN NEED

Benefitting local communities is at the heart of our “For Humanity” approach.

Connecting, engaging and involving with our local communities allows us to make a difference in all the regions we operate – investing in communities through wide-ranging volunteering, mentoring and charitable fundraising initiatives.

Every year our staff select an annual charity partner, arranging and hosting quarterly events to raise awareness and funds for the charity.

This year, our selected charity was The Movement Centre – a Midlands-based organisation providing life-changing physiotherapy for children.

This year, we have managed initiatives including a company-wide ‘Active April’ exercise challenge, charity raffle and charity jacket sale – raising £2,260 for the Movement Centre.



OUR CHARITY PARTNERS

We maintain close partnership with our customers to support local community projects and activities, delivering **over £70,000 measured social value** through wide ranging community support initiatives.

'FEED A FAMILY' CAMPAIGN

Through our 'Feed a family' campaign, we maintain partnerships with local stores to redistribute surplus food to support local foodbanks – **donating over £600 in 2023**.

£383,671 DONATED TO CHARITABLE CAUSES

We maintain a dedicated charity budget to support local community needs and charitable causes – donating over £300,000 to support a wide range of both national and local initiatives and charitable causes.

GLASGOW POVERTY ACTION CAMPAIGN

We currently support Glasgow City Council's Poverty Action Programme, managing a quarterly donation of essential hygiene items to foodbanks within Glasgow – providing long-term, meaningful support to some of the city's most deprived regions.

GREAT BRITISH SPRING CLEAN CAMPAIGN

Acting as a corporate sponsor for the Great British Spring Clean, partnering with clients to provide litter picking equipment for local litterpicks as part of national 'Great British Spring Clean' events – including holding our own litter-picking event at a local nature reserve.

"Thanks for agreeing and sorting this, the place was mobbed when your products arrived this morning with a large queue outside. We're extremely grateful!"

Glasgow City Council



Arrow are proud to be a signatory to the Shropshire Social Value Charter

As a Shropshire-based organisation, we directly contribute to the guiding principles of the Shropshire Social Value Charter, and are committed to supporting the Shropshire economy, promoting wellbeing in Shropshire, and making Shropshire a great place to live.



"The amount of litter they collected will make a huge difference – not only for residents who live nearby, but also for the wildlife in the area."

Great British Spring Clean



OBJECTIVE 2

DRIVING LOCAL OPPORTUNITY

Through our dedicated 'Educate by Arrow' programme, we maintain close partnerships with local education and recruitment providers to create and provide local/regional employment opportunities.

Last year, we supported **5 under-18 work experience students** from schools around Shropshire. Students spend up to a week supporting several departments within our Shropshire Head Office, supporting detailed understanding of practical workplace skills.

REGIONAL APPRENTICESHIP PROGRAMME

Additionally, this year we joined the Telford College Apprenticeship Programme, supporting 1 apprentice as part of their Level 2 Accounts Finance Assistant Apprenticeship Programme.

As part of this programme, we have delivered a diverse On Programme Learning experience, supported by dedicated mentorship and training – supporting students in gaining a Level 2 accounts qualification, in addition to the practical, technical and professional skills essential to future workplace success.



OBJECTIVE 3**ETHICAL,
SUSTAINABLE
SUPPLY CHAINS**

With over 450 supply partners across 16 countries, combating modern slavery and ensuring supply chain ethics is one of our highest priorities.

Through our robust Supplier Selection Programme we take corporate responsibility for supply chain ethics, requiring all suppliers to meet specific ethical standards and ensuring all materials are responsibly sourced.

PROMOTING ETHICAL SOURCING

Our rigorous supply selection process ensures products are only sourced from manufacturers meeting ILO (International Labour Organisation) standards, requiring regular submission of evidence to support this.

Additionally, we use the government Modern Slavery Assessment Tool (MSAT) to assess contract-specific supply chains and communicate any identified ethical risks to our customers, maintaining a Green rating across all contracts.

SUPPORTING LOCAL SUPPLY CHAINS

Through our established 'Keep It Local' supply chain programme we proactively support local and SME manufacturers, expanding our links with local supplier/manufacturing partners to identify ways we can influence, support and promote UK manufacturing partners – with 97% of our supply chain now UK and Europe based.



Arrow
COUNTY SUPPLIES

T 01743 283600 **W** arrowcounty.com **E** askarrow@arrowcounty.com

