

# ESG: For Our Growth, Success & Wellbeing

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# Foreword

Welcome to ILG's inaugural report assessing our Environmental, Social and Governance (ESG) principles, initiatives and performance. Publishing this report is a clear reflection of our commitment to doing business the right way.

We're on a mission to make our customers even more successful. That's why we're strengthening our commitment to implementing company-wide initiatives, systems and processes to manage our environmental impact and to ensure accountability in the way we treat our staff, customers, suppliers and other stakeholders.

The growth of online commerce in recent years has led to additional demands on warehouse space, with more parcels shipped, more energy used and more waste generated. Like any other fast-growth 3PL, we are fully aware of the impact of this on the environment.

As part of Yusen Logistics, a global business which operates sustainably and responsibly, ESG sits at the cornerstone of our purpose, strategy and decision-making. It reflects how we work, how we serve our people and support our communities.

I'm incredibly proud of our achievements in all areas. From our 'Zero-By-30' roadmap to providing employment opportunities for those with learning challenges, we are united in our commitment to creating a fair, safe and green future for our people, our customers and our environment.

Our people are at the heart of ILG and, collectively, we see ESG as a fundamental and exciting competitive advantage. Reporting on our positive progress to date motivates us to raise the bar ever higher going forward!

*Tom Ashley*

**Tom Ashley, ILG Managing Director**



## About ILG

Founded in 1990, ILG is a market-leading 3PL specialising in high-quality order fulfilment and delivery services. Our customers are mostly fast-growth premium brands, many in the beauty, fashion and wellbeing sectors.

ILG has grown to become a market leader in e-commerce fulfilment, retail fulfilment and delivery services. Last year we processed over 8 million orders and despatched over 7 million orders and despatched more than 156 million items to destinations across the globe.

We pride ourselves on our expertise, technology and facilities. We invest heavily to recruit, develop and retain a strong, well-motivated team of delivery and fulfilment specialists and today, we employ 570 highly trained staff, increasing to over 650 during peak trading period.

We operate 12 fulfilment centres across the UK and EU with a total capacity of over 700,000 sq. ft. Our industry-best warehouse management systems and picking technology drive the most efficient order fulfilment.

In 2018, ILG was acquired by the global 3PL, Yusen Logistics. This partnership gives us access to Yusen's extensive network of 650 locations across the Americas, Europe, Asia and Oceania, as well as its suite of road, rail, sea and air transport solutions.

In 2024, ILG acquired GFS Logistics, pioneers in Enterprise Carrier Management (ECM) and delivery technology.

# ESG: Introduction & Purpose

## What is ESG?

ESG is a framework for assessing how an organisation performs its business based on various sustainability and ethical practices:



Essential for long-term growth and success, reporting on our ESG performance provides a way to measure business risks and opportunities within those three areas, integral for responsible and sustainable decision-making.

## Defining the Purpose & Objectives of Our ESG Policy

ILG's ESG policy delineates our commitment to environmental, social and governance principles. Our purpose is to integrate sustainable practices, ensure ethical conduct and foster social responsibility.

Our broad objectives include reducing carbon footprint, promoting diversity, enhancing employee wellbeing and maintaining transparent and accountable governance practices.

## Aligning ESG Principles & Behaviours with ILG's Mission & Values

For over 30 years, ILG's mission has been to support our staff in enabling success for our customers. From an ESG strategy perspective, we directly align with our customers' needs, and our solutions focus on generating economic, environmental and social benefits.

We recognise that bringing our ESG commitments to life is critical to us fulfilling our mission and realising our future growth strategy. We seek to do this by:

- Establishing clear ESG performance metrics and targets
- Conducting regular assessments of our ESG performance
- Disclosing results in a transparent way to all stakeholders
- Providing training and resources to employees to promote ESG awareness and compliance
- Collaborating with suppliers and partners to encourage responsible ESG practices
- Seeking opportunities for innovation and improvement in ESG initiatives

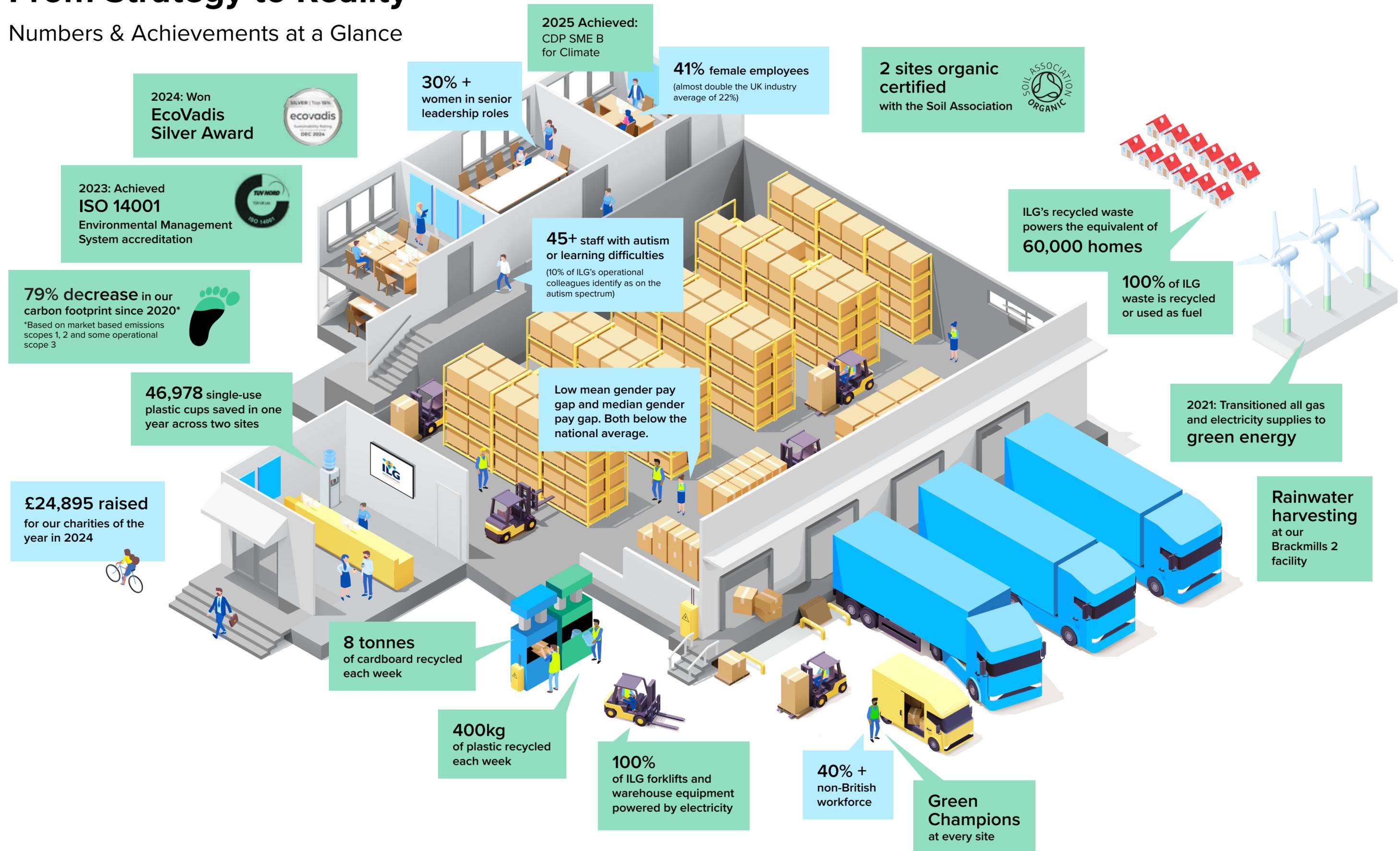
ESG is both a commitment and a competitive advantage at ILG. Throughout our organisation, we apply a sustainable approach to the way we operate and grow. Our strategy and range of associated activities involves all team members, company-wide and across all our facilities.

**Our commitment to ESG helps to ensure we are a company that our customers and suppliers want to work with and that our employees want to work for.**



# From Strategy to Reality

## Numbers & Achievements at a Glance



# ESG-Related Certificates, Awards & Recognitions

We are proud to share a selection of our most recent ESG-related awards and recognitions which highlight our commitment to sustainable and responsible business practices.

They also serve as a testament to the dedication of our people as we continue to seek new ways to positively impact the world around us.



**CDP: SME B for Climate 2024**



**Highly Commended:  
Environmental & Sustainability  
Award Northamptonshire Logistics  
Awards 2024**



**EcoVadis Award Winner (Silver 2024)**



**RoSPA President's Award  
(awarded to consecutive  
Gold Award winners 2024)**



**Winner: Equality, Diversity &  
Inclusion Champion 2024**



**RoSPA Gold H&S Award Winner for  
commitment to workplace safety  
(2014 -2023)**



**ISO 14001 Environmental Management  
System accreditation 2023**



**UKWA Winner for  
Excellence in Customer  
Service 2023**



# Environment

## Zero-By-30\* – Contributing to a More Sustainable World

*“ILG recognises the urgent need to reduce our environmental footprint, to protect the planet. Collectively, we are determined to play our part in mitigating the impact of climate change. By operating our facilities more efficiently and making other significant changes, we are working hard to reduce our emissions.”*



Oscar Eastop, ILG Warehouse Manager

### Our Environmental Commitments:

- ▶ To continuously monitor and reduce our environmental impact by implementing sustainable practices
- ▶ To set and strive to meet environmental performance goals, including reductions in carbon emissions, energy consumption and waste generation
- ▶ To adhere to all relevant environmental laws and regulations
- ▶ To promote environmental responsibility throughout our supply chain

\*Scope 3 Emissions



# Environmental Initiatives & Achievements

In 2020 we launched a full programme of company-wide initiatives and processes and since then, we have achieved remarkable milestones in environmental responsibility. While carbon emission, energy and NetZero considerations are high on our agenda, we also prioritise the awareness, resourcing and efficiencies of materials, waste management and recycling practices.



**Zero-By-30:** Our long-term target is to be a NetZero business by 2030. Having set a 35% carbon reduction target for March 2023 in 2020, we surpassed expectations by reaching our goal in July 2022, eight months ahead of schedule. Subsequent efforts led to a further reduction in our carbon footprint (relative to business turnover) and by January 2025, we recorded a **79% reduction in carbon emissions\***.



**ISO14001 Accreditation:** In 2023 we achieved our ISO14001 Environmental Management System which gives us the framework and tools to keep our sustainability goals on track. For further details, visit [ILG ISO 14001 Accreditation](#).



**EcoVadis Silver:** In 2024 we were awarded EcoVadis Silver which scores ILG's adherence to high environmental and ethical standards in its operations. The process covers environment, labour and human rights, ethics and sustainable procurement. The assessment also includes an examination of our efforts to reduce carbon emissions, manage waste and promote fair labour practices.



**Sustainable Facilities:** ILG is focused on improving the energy efficiency of our facilities and the way we manage our buildings on an ongoing basis. Our newest fulfilment centres are 'BREEAM Outstanding' rated, with energy-saving features such as solar panels, skylights, rainwater harvesting, EV-chargers, motion-sensor LED lighting and fuel-efficient heating.



**Zero-waste-to-landfill:** Our waste management practices support a 'zero-waste-to-landfill' approach. 100% of ILG waste is recycled or converted to electricity, sufficient to power 60,000 homes. All cardboard waste is compacted and baled, as well as soft plastic waste items from our warehouses which are baled for processing into new refuse sacks.



**Eco-Friendly Packaging:** All ILG's packaging is made from recycled paper and cardboard, as an alternative to oil-based packing materials, such as plastic bubble wrap. We send approximately eight tonnes of cardboard and 400kg of plastic to recycling each week and work closely with packaging manufacturers to design eco-friendly boxes and cartons for our customers.



**Green Energy:** Since 2021, when we switched all our energy contracts to Green Electricity and Green Gas tariffs, all ILG warehouses and offices are powered by sustainable energy.



**ILGreen:** Our company-wide sustainability brand anchors ILG to green initiatives for easy recognition and staff participation. ILGreen communications includes 'GreeNews', a quarterly internal newsletter that provides updates on our environmental programmes and links to bulletins, social posts, webpages etc.



**Green Partnerships:** We partner with organisations that share our commitment to sustainability. These include sustainable waste management experts [Grundon](#) (which has carbon-neutral fleet accreditation and operates all-electric waste-wheelers (MHE) and hydrogen-powered vehicles) and carbon-neutral packaging innovators, [Kite](#).



**'Green Champions':** Our team of volunteer eco-employees work across our 10 UK sites and are dedicated to promoting sustainable practices and behaviours, such as the transition to re-usable drinking cups, which has saved 46,978 single-use plastic cups annually and the introduction of eco-friendly uniforms.



**Staff Awareness and Involvement:** A company-wide awareness month dedicated to involving our colleagues in all things sustainable. We run a series of enjoyable staff activities focused on recycling, food waste and upcycling, with competitions and other events to raise money for local charities.

# What's Next?

## Level-2 Goals to be Implemented Across all Sites:

- Achieve 'Excellent' or 'Outstanding' BREEAM ratings (Building Research Establishment Environmental Assessment Method)
- Provision of EV charging points for employees
- Introduction of staff uniforms made from sustainable fabrics and materials
- All-electric vehicle fleets of local delivery vans and company cars
- 34% recycled content in all plastic packaging
- Reduce miles covered by suppliers where possible
- Increase plastic baling at all sites
- Minimise water consumption
- Rainwater harvesting
- Installation of LED sensor-controlled lighting
- Installation of solar panels (at all suitable sites)
- Introduction of shredding and recycling of old and end-of-life staff uniform



# Sustainability Stories

## Zero to Landfill: Powering Homes with Our Waste

On average, ILG produces six tonnes of cardboard waste every week. Now, thanks to our partnership with Grundon, specialists in recycling and waste management, 100% of our cardboard waste is baled and sent to paper mills to be repurposed into other materials, while all other (non-recyclable) waste is sent to be converted to electricity.

“We began working with ILG in 2016, baling their cardboard waste before taking over the entire waste contract a year later. By handling their mixed recycling, confidential waste, hazardous waste and general waste, we can guarantee 100% diversion from landfill. We’ve prioritised sustainability by reducing vehicle movements through the strategic introduction of compactors and balers, and because all our waste collection vehicles are certified CarbonNeutral® it reduces our carbon footprint even further.”



Liam Nelmes, Grundon

## Sustainable September: Initiatives to Drive Positive Change

As one of ILG’s regular awareness months, this information-led initiative is aimed at promoting employees’ understanding of sustainability issues and embedding greener practices across all our facilities. Designed to drive change through education and engagement, the initiative keeps staff engaged and up to date with our ESG strategies and policies:

“Sustainable September is a great opportunity to bring everyone together, raise money and awareness of green initiatives. There’s always plenty to get involved in – and it’s always great fun! Activities range from upcycling competitions, leftover lunches to encourage staff to reduce food waste and exchanging top tips during Recycle Week. We also sell off old customer stock to raise money for local charities and wear something green to work on ‘Green Day’.”



Helen Nichols, Facilities, Environmental and Sustainability Manager

## Green & Sustainable: Facilities Fit for the Future

We are growing our warehouse portfolio, and currently investing in two brand new facilities in the UK and in Poland. In line with our commitment that any new facilities must meet stringent sustainability requirements, they will both be constructed as ‘BREEAM Outstanding’-rated. This includes sourcing an alternative means of heating facilities to reduce our reliance on gas/fossil fuels.

“Our aim is to be a NetZero business by 2030 with 100% carbon neutral warehouses and we’re already opening newer, more energy-efficient, ‘BREEAM-outstanding’ fulfilment centres, equipped with EV chargers, solar panels, skylights, rainwater harvesting and motion-sensor LED lighting. Meanwhile, to support our staff to find alternative ways of commuting to work, we’re careful to choose locations with access to public transport or cycle paths.”



Tom Ashley, Managing Director



# Social

## Putting People First: ILG's Social Commitment in Action

*“People are at the heart of ILG. We are dedicated to creating value for our customers worldwide and are proud to deliver equal opportunities for everyone. As engaged members of our workplace, everyone has an active role in nurturing a safe, caring, people-focused culture which supports diversity, equity, inclusion and belonging.”*



Kristine Pollock, HR Director

### Our Social Commitments:

- ▶ To prioritise the health and safety of our employees, customers and communities
- ▶ To foster a diverse, inclusive and equitable workplace where all our people are treated with respect and dignity
- ▶ To engage with and support the communities in which we operate
- ▶ To uphold human rights and ethical labour practices throughout our supply chain
- ▶ To ensure transparent communication with stakeholders on social responsibility matters



# Social Initiatives & Achievements

From staff and partners to customers and suppliers, ILG cares deeply about the wellbeing of all our people. We are proud to be a safe and inclusive place to work, giving employees responsibility, creating growth opportunities and expanding our talent pipeline. We are committed to driving our diversity and inclusion programme, protecting rights, ensuring fair pay, improving staff mental health and engaging with our local communities.



**Health & Safety:** From offices to warehouses, we are proud to provide a safe work environment for all staff and serious accidents are extremely rare. H&S is at the top of every board meeting agenda, with monthly site reports delivered by our dedicated team. We are proud to be consecutive winners of the ROSPA Gold H&S Awards for the past 10 years and in 2024 ILG was awarded the prestigious RoSPA Gold President's Award.

We proactively support employees to become First-Aiders, Fire Wardens, H&S and Employee Representatives by offering full training and certifications. Our H&S Manager holds the NEBOSH General H&S & Fire Safety Certificates and is commencing their NEBOSH H&S Diploma in 2024 while our H&S Advisor holds the IOSH Managing Safety Certificate.

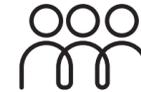
Working closely with operational colleagues we have successfully driven down workplace accidents involving knives by introducing alternative work equipment and PPE. Currently we are actively working to reduce MHE incidents in the workplace by involving forklift operators in an internal Forklift Forum, designed to drive improvements in training, operation and safety. The output of this group reports directly into our H&S committee which meets quarterly.



**Wellbeing:** We place a firm focus on mental health through our free and confidential Employee Assistance Programme (our EAP is also open to some family members), offering support to all staff when they need it. Online or face-to-face talking therapy is also offered by our extensive network of qualified mental health first-aiders and champions while other initiatives devoted to employee wellbeing include fresh fruit deliveries to work locations, cycle to work scheme, annual staff awards and monthly social events.



**Employee Assistance Programme:** This invaluable service provides round-the-clock telephone support for free, confidential advice on a range of subjects, including emotional, legal and financial matters. Support is also available for immediate families and employees may also be eligible for up to eight sessions of face-to-face counselling.



**Diversity, Equity & Inclusion (DEI):** We ensure transparency and awareness of EDI through a variety of continually updated policies and education, spanning recruitment, ethics and values training and development, managing others and celebrating religious and other festivals.



**41% of our employees are women** - nearly double the UK industry average of 22%



**30%+ of ILG's management roles are filled by women**



**Over 40% of our workforce identify as non-British** (44 different nationalities)



Approx **10%** of our operational colleagues identify as **neurodiverse**



**Fair Pay:** ILG is dedicated to ensuring fair compensation for all employees, maintaining pay rates that exceed the national minimum wage. Our median gender pay and bonus gaps are notably lower than the national average, underscoring our commitment to equity in remuneration.



## Work/Life Balance:

ILG supports employees during significant life events and fosters a family friendly and inclusive workplace culture. Our maternity leave grants eligible mothers up to 52 weeks, with 12 weeks paid at basic pay and a further 27 weeks paid at statutory rate. Paternity or second parent leave allows eligible employees to take two weeks off at basic pay at any time in the year following the birth of their child. Each provision also applies to the relevant partner when adopting a child.

After successfully completing the probationary period, we support hybrid working of up to 50% remote work and 50% in-office work, depending on the individual's role. This option is granted based on ILG's assurance that the job can be effectively executed from home and the staff member has the necessary space and equipment. Approximately 30% of ILG employees work in a part time, flexible or casual capacity.

# Social Initiatives & Achievements



**Training & Development:** We offer apprenticeships at levels 2 and 3 in Warehouse Operations and Finance, encouraging staff to obtain the necessary skills and qualifications for their longer-term development through an apprenticeship or other training route. In our last financial year employees carried out an average of 3-4 online courses, with more than 600 holding a qualification provided to them at ILG (including Dangerous Goods, Forklift, First Aid, Shift Supervisor, Coaching Skills and Fire Warden). We also offer access to free non-work related online learning courses which employees can take in their own time and at their own pace. In 2025, we plan to add online language courses too.



**Charity Support:** As part of our ongoing commitment to charitable engagement, we are proud to raise thousands of pounds for causes that support sick or disadvantaged people living in our local communities. Every year, ILG staff vote for two 'Charities of the Year' and currently we support 'Northampton Hope Centre' and 'Turning Tides', two inspirational charities helping those suffering hardship, hunger and homelessness. Employees are also encouraged to dedicate one working day annually to support a charity or sustainability cause, through fully paid or voluntary work.



**Community Outreach:** We actively invest in the local economy by spending money with local providers or small businesses where possible and we prioritise offering seasonal or casual jobs to local people.



**Employee Engagement:** Organised by a voluntary staff committee, we run a wide range of local social events and activities each year, designed to suit all employees and to build relationships between colleagues. We also support our LGBTQ+ staff and communities by celebrating Pride at our facilities and with teams attending local parades and events.



**Employee Awards:** Through a range of awards, ILG fosters a sense of motivation, friendly competition and a culture of appreciation throughout the organisation. Individual excellence, outstanding performance, teamwork and commitment to our company values are rewarded each month through 'Staff Member of the Month' via nominations from colleagues. 'Team of the Quarter' celebrates the collaborative achievements of a group that has excelled, achieved remarkable results or displayed exceptional teamwork while the annual company-wide ILG Awards Night ceremony covers a range of categories and acknowledges the remarkable accomplishments of staff members throughout the year.



## Staff Survey Highlights

**89%** of those who took part believe ILG are environmentally responsible and care about our employee's health & safety

**85%** feel positive about our ESG rating

**88%** believe ILG supports diversity at work

**83%** of ILG employees are confident they can be themselves at work without worrying about being accepted

**90%** believe their manager is available when needed

# Social Stories

## Embracing Neurodiversity

ILG works closely with Aldingbourne Trust and TRACK, two charities which aim to match adults with learning disabilities and/or autism with suitable work placements. Since 2015 ILG has employed over 45 people through these schemes, creating a more inclusive and tolerant work culture throughout the business. We retain many of those people today, with around 10% of our operational colleagues identifying on the autistic spectrum. To further support those in our local community, we have held open days at our facilities, inviting students from special educational needs and disability schools to demonstrate future opportunities and possibilities for work.

**“Community outreach is hugely important to ILG, and we’re immensely proud to support Aldingbourne Trust and TRACK by providing employment opportunities for disadvantaged young people and those with learning challenges. We’re careful to identify the most suitable roles and match them to the right individuals. For many of the adults we employ, it’s their first experience of work and we’ve been told the impact can be ‘life-changing’.”**



**Kelly Kennard, Learning and Development Manager**

## Kickstart Scheme: Equipping the Next Generation

In 2021 we were delighted to offer 28 job placements across our warehouse facilities to local young people, as part of the Kickstart Scheme. The government-funded initiative (now closed) enabled employers to create jobs for 16 to 24-year-olds who had been adversely affected by the Covid-19 crisis and were at risk of long-term unemployment.

ILG gave each ‘Kickstarter’ six months of guaranteed paid work, tailored training and support with transferable skills such as CV writing, job searching tips and interview techniques. 13 of these participants went on to secure permanent or fixed-term contracts at ILG.

**“Thanks to government funding through the Kickstart scheme, we were able to offer training and a 25-hour working week to several young people and we’re proud to have helped so many individuals to develop the skills and experience to find work after completing the scheme. Our involvement in the initiative was even recognised by a visit from the Minister for Employment, covered by BBC News and showcased by our industry body, UKWA!”**



**Andy Hunt, Marketing Director**

## Work-Life Balance: Supporting Our Most Valuable Assets

Staff work-life balance is integral to our ESG commitment at ILG. We champion a supportive culture that offers options for flexible and remote work schedules, actively encouraging employees to maintain a healthy balance between their professional and personal life.

From giving staff the opportunity to volunteer for a day with a charity of their choice, to offering a range of personal and career development opportunities through training, our mission is to support our people at every step of their journey with ILG.

**“We firmly believe that a balanced and fulfilling personal and professional life contributes not only to the happiness and health of our employees but also enhances overall productivity and creativity. We recognise the need for personal and family-related leave and have policies in place to assist employees facing personal challenges and crises and to maintain a healthy work environment. Using a range of technology and tools, we’re also able to facilitate flexible work arrangements and distance learning opportunities to enhance career development and productivity.”**



**Sam Taylor, Client Services Director**





# Governance

## Ethical Governance Through Best Practices & Transparency: ILG's Blueprint for the Future

*“Integrity is one of ILG’s values and we go the extra mile to ensure we earn and retain the trust and confidence of our customers, people and partners. For us, that means a relentless focus on managing risk, compliance and accountability across every corner of our business.”*



Glenn Woodhams, Operations Director

### Our Governance Commitments:

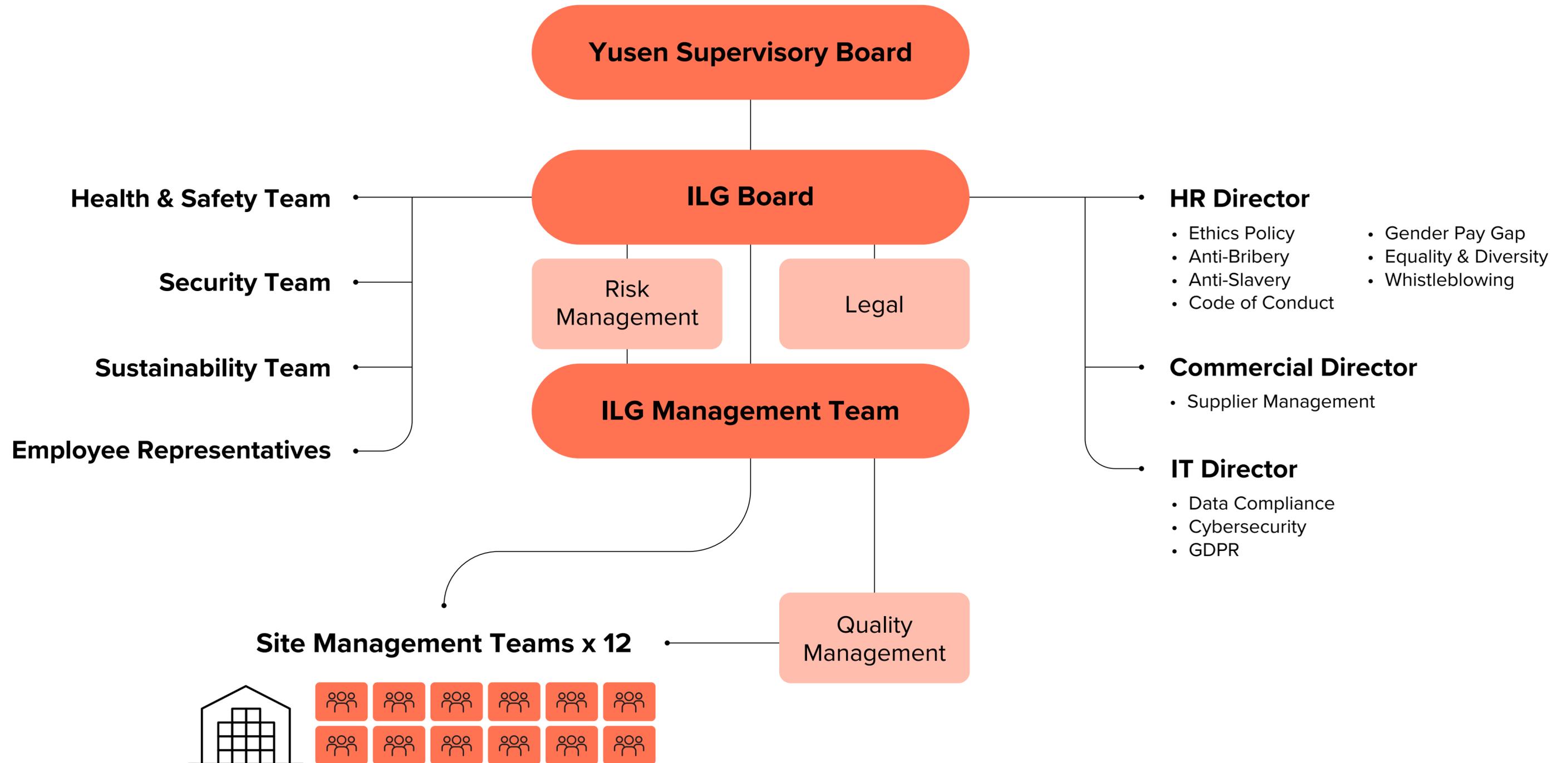
- ▶ To maintain strong corporate governance practices, with a focus on transparency and accountability
- ▶ To appoint a range of board directors to ensure diverse perspectives and effective oversight
- ▶ To implement robust risk management and compliance programmes
- ▶ To align executive compensation with sustainable, long-term performance
- ▶ To engage with our shareholders and respond to any of their concerns

ILG is dedicated to upholding robust governance policies, guidelines and codes of conduct that underscore our commitment to responsible business practices. At the core of our approach is a steadfast acknowledgment of accountability for all business activities, ensuring strict compliance with laws and regulations to deliver services of the highest quality and protect the safety and wellbeing of our people.

We are proud to be a part of Yusen Logistics and to have cultivated a workplace where transparency, integrity and efficient management takes centre-stage, firmly positioning us as a reliable partner to all our stakeholders around the world.

# Governance Structure

Our governance structure ensures robust pathways of visibility and accountability across all departments, functions and locations.



# Our Governance in Action

**Risk Management:** Central to ILG's Governance are the robust risk management practices which guide our decision-making, ensuring sustainability and resilience. Through our policy, we identify, assess and mitigate risks, fostering long-term value creation. All risks are registered, assessed and monitored at bi-monthly board meetings.

**Compliance:** Our compliance framework ensures adherence to legal, ethical and environmental standards. We strive to maintain transparency, mitigate risks and uphold responsible business practices, reinforcing our commitment to sustainable operations.

**Whistleblowing:** Our whistleblower protection ensures a confidential avenue for reporting misconduct, encouraging a culture of transparency, ethical behaviour and accountability. Aligned with our values of integrity and responsible business conduct, we urge our employees to report concerns about fraud without fear of reprisal. We offer several options for reporting incidents, including a third-party whistleblowing service, Safecall, an independent and confidential reporting line which guarantees anonymity, if desired.

**Supplier Management:** In line with our ESG objectives, our procurement policy emphasises sustainable sourcing, ethical practices and diversity. This means engaging with suppliers who share our commitment to environmental responsibility, human rights and ethical conduct, to ensure a supply chain which aligns with our values.

**Anti-Bribery:** Our policy (updated in August 2023) aims to ensure compliance with anti-bribery and corruption regulations, to ensure that ILG's business is conducted responsibly. It addresses ILG's zero-tolerance approach to the offering or acceptance of business gifts, hospitality, facilitation payments, political and charitable contributions and outlines the disciplinary procedures for specific policy breaches.

**Anti-Slavery:** Our policy aligns with the Modern Slavery Act 2015 and emphasises our ethical business practices. In our commitment to eradicating slavery and human trafficking, we prohibit engagement with organisations involved in such practices and set the same standards for our suppliers. We conduct internal verification, maintain accountability and offer ongoing training to combat human trafficking while our policy (updated in July 2023) allows auditing and termination of contracts for non-compliance. Employees are also encouraged to report violations, ensuring a commitment to lawful and ethical business conduct.



# Our Governance in Action

**Ethics Policy:** ILG strives to create a company culture which promotes trust, integrity, fairness and openness. Embedded in our ESG framework is a policy (updated in July 2023) which promotes ethical conduct among employees, contractors and freelancers. From the boardroom to the warehouse, all employees adhere to these principles, ensuring responsible and transparent operations. Regular training ensures compliance and the policy undergoes regular reviews for appropriateness and updates.

**Code of Conduct:** Our Code of Conduct policy (updated in July 2023) sets high standards for our employees and casual workers. It includes rules on attendance, conduct, confidentiality, health and safety, property use, expenses, right to work and work-related social events, ensuring our commitment to responsible business conduct. It also includes a comprehensive but not exhaustive list of behaviours which ILG treats as gross misconduct and which may result in dismissal without notice.

**Gender Pay Gap:** ILG's mean gender pay gap (excluding overtime) is 9.99% and our median gender pay gap (excluding overtime) is 0.66%, both lower than industry norms and reduced from 2023. The mean gender bonus pay gap of 68.8% reflects a higher proportion of men in senior or management roles who receive performance-related bonuses. Whilst this needs improvement, the median bonus gap of 0.00% shows that the most common bonus amount received by ILG colleagues was identical for men and women.

**Equality & Diversity:** As an equal opportunities employer, we value all people as individuals with diverse opinions, cultures, lifestyles and circumstances and aim to recruit and retain talent from all backgrounds, genders, ethnicities and abilities. Our policy (updated in August 2023) commits to preventing discrimination based on age, disability, race, gender, sexual orientation, marriage or civil partnership status, pregnancy or maternity, religion or belief. It also ensures fair treatment for part-time workers and equal contractual pay and benefits for all employees.

**Quality Management:** Our warehouses take quality control seriously for all inbound and outbound activities to ensure that end-customers receive their products to the highest standards. Our Continuous Improvement Team works with Warehouse Managers to identify areas for improvement and in 2024 they completed numerous projects, the benefits of which are embedded within our day-to-day practices and support growth for existing clients and new projects. We are committed to operational sustainability to improve our quality-first culture, adhering to rigorous standards as we collaborate with clients on waste reduction solutions.

**Data Protection:** Data protection is integral to our ESG commitment. Our policy aligns with current General Data Protection Regulation (GDPR) and Data Protection Act principles, safeguarding personal data in line with ethical standards. Employees receive training, and robust measures ensure secure data handling. Breach response procedures demonstrate our dedication to responsible and compliant data management within our ESG framework.

- ILG's Privacy Policy further outlines how we handle and protect sensitive information, ensuring compliance with data protection laws and demonstrating our ongoing commitment to respecting our stakeholders' rights.

**Environmental Policy:** ILG's company-wide dedication to sustainable and eco-friendly practices and our commitment to minimising our environmental impact is clearly outlined in an environmental policy which is clear, easily accessible and communicated openly to all stakeholders.



# Governance Initiatives & Achievements



**'Ask Me Anything':** Our 'Ask Me Anything' initiative demonstrates our commitment to open communication and transparency, and offers every member of staff direct access to our Managing Director to share ideas or raise concerns. This positively reinforces the bond between our leadership and employees.



**Employee Reps:** We believe in empowering our staff and employee representatives meet bi-monthly and are free to raise any issues or suggestions they wish. The meeting is chaired by our Managing Director and attended by our HR Director and Environment & Facilities Manager. This ensures that all issues or ideas are addressed at the most senior level.



**Industry Accolades:** Our reputation as an industry leader is recognised by our peers through prestigious awards such as UKWA Logistics Provider of the Year 2022, UKWA Employee of the Year 2022 and UKWA Excellence in Customer Service 2023. We also won the 2024 'BeautyMatter NEXT award for Best Logistics Solution'. These achievements underline our commitment to delivering exceptional service and set a benchmark for industry standards.



**Security:** Keeping staff, assets and visitors safe is paramount to the smooth running of our operations and ILG is proud to have a dedicated Head of Security and in-house security team.



**Legal:** ILG has made a significant investment in its in-house legal capability, enabling us to ensure compliance, mitigate risks and provide legal counsel when required.



**NPS:** We have implemented a Net Promoter Score (NPS) system to measure customer satisfaction, promote transparency and gauge alignment with our ESG goals.

# Our Goals

**Equality & Diversity:** Ensure stronger representation within ILG across gender, race, age, neurodiversity and nationality and continue to improve our gender pay gap.

**Internal Communications:** Create more efficient ways of disseminating important messages to our teams and ease access to employee information such as rewards, staff benefits, payroll, holiday entitlement, special offers and health benefits.

**Employee Benefits:** Improve our employee benefits and become recognised as a great place to work and an employer of choice, crucial to boost employee retention and satisfaction.

**Promoting Diversity:** Increase awareness of schemes such as WorkAid and TRACK and encourage other businesses to participate. Do more to share our positive experiences as diversity ambassadors.

**GFS Aquisition:** Bring together the ESG strategies of ILG and GFS to align on important Environmental, Social and Governance issues and make a greater contribution.

**Technology Investment:** Invest in technologies that promote and encourage green services and improve operational visibility for our customers.

**Customer Collaboration:** Foster greater collaboration with our customers on sustainable initiatives such as reducing single-use plastics and promoting eco-friendly packaging.

**Brand Purpose:** Define the 'why' of ILG and communicate it internally and externally. A definitive purpose will drive understanding of our work culture, help motivate our people and build customer loyalty.

**Cybersecurity:** Enhance our cybersecurity governance by achieving Cyber Essentials certification, followed by Cyber Essentials Plus.

# Our Commitment to Continuous Improvement in ESG Performance

The policies, initiatives and achievements within this ESG handbook will be regularly reviewed and updated to ensure that it remains appropriate and up to date.

Inspired by the success of our 79% reduction in CO<sub>2</sub> emissions, we are now fully committed to our bold target of becoming a NetZero business by 2030. Our commitment reflects a full and evolving strategy towards achieving 100% sustainable fulfilment and addressing the issue of climate change.

To assist our efforts, ILG has established a Continuous Improvement Team dedicated to overseeing the integration of innovative strategies and cutting-edge technologies across our facilities. This initiative aims to elevate our service offerings, ultimately benefiting our customers by empowering them to better serve their own customers.

Measuring and reporting where we are now allows us to establish benchmarks, which is a key step in maintaining accountability as our business evolves in the years ahead. Through continuous assessment and improvement of the environmental and social impact of our process and operations and by diligently monitoring industry trends and implementing advancements, we expect to gain a more detailed understanding of our Scope 3 emissions, expanding our reporting practices and meeting the expectations of all our stakeholders.

Finally, we will continue to do our work with integrity and we hope to demonstrate the positive effects of our environmental and social impacts on our people, our wider community and the planet.



# ESG: For Our Growth, Success & Wellbeing

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