



Midland Telecom Corporate Social Responsibility Policy 2021 incorporating all aspects of the Procurement Standards in the Public Services Social Value Act 2012

Version 7 01/05/2020

Key points

- Midland Telecom and IT will donate 1% of its turnover earned through any public sector tendering contract and your specific tender will have this funding earmarked and audited. This will ensure it will be spent upon either the default project we have prepared or we will include other projects you might feel are also relevant to be funded and deliverable by a business in our specialist sector, within your local community.
- Midland Telecom is proud to communicate that 47% of our workforce is from either from BAME, ex-forces or in full-time training direct from education.
- We are also pleased to announce we will be carbon neutral by the end of 2022 with no direct CO2 emissions.
- Every £2144 per month that your contract provides in revenue, will give a young person a year's full-time employment.
- Projects where we can deliver a true reflection of the Public Services Social Value Act 2012, will benefit the community to a reasonable extent but won't have a significant impact on the tender price objectives.
- All our employees are full-time, on permanent contracts, with pay well above the Living Wage standards.
- Our supply chain is vetted and has visibly high standards of procurement.

Within this ACT is described the effort should be guided by certain criteria to benefit the Community https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/690780/Commissioner_Guidance_V3.8.pdf

Midland Telecom and IT has taken elements from several separate policies to form the general emphasis on environmental, diversity, ethical sourcing and encouraging employment opportunities, which cross reference this specific CSR document.

Corporate Social responsibility – community projects

Midland Telecom and IT want to donate our products and services we supply, to benefit the local community of the tender provider. We have supported the following projects in 2020 from CSR funding:

- 1) The National Bullying helpline . We sponsor the costs of their helplines entirely to provide the valuable telephony services to this charity. See CSR example 2.
- 2) Dementia Go in North Wales. We have donated WiFi equipment and mobile broadband services to allow this charity to include marginalised sufferers to engage in the new social activities that mobile services can bring. This charity was introduced by Simon Jones who works as a digital inclusion adviser or for the Wales Co-op. Spend from tenders won with Wales Co-op funded this donation - See CSR example 1

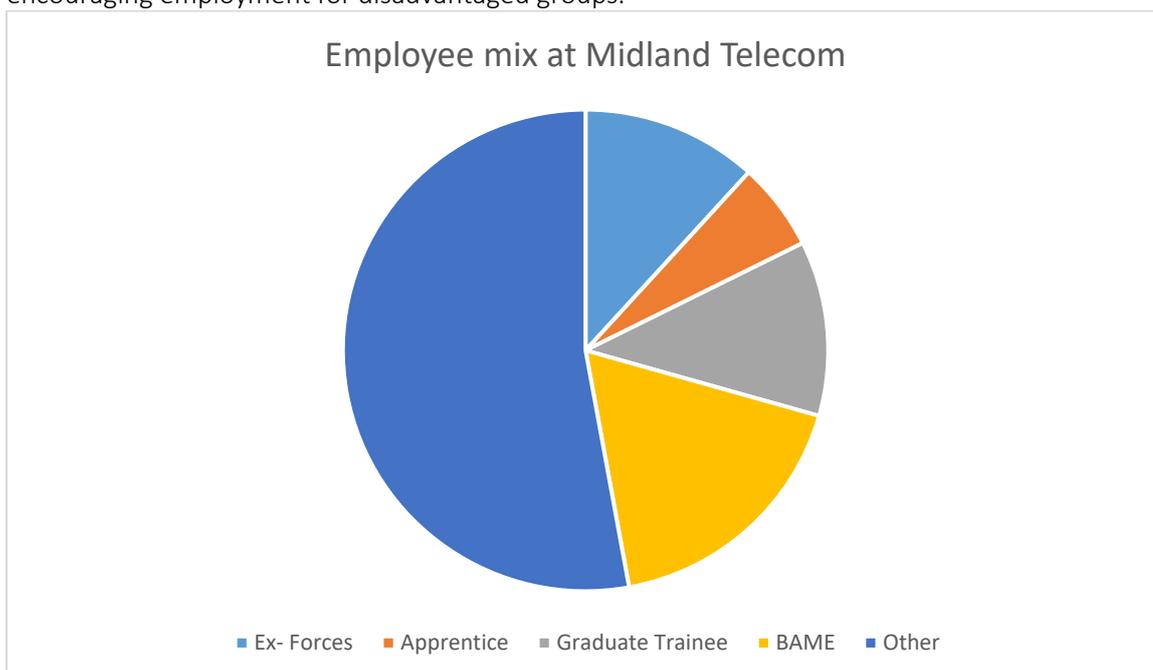
- 3) Walking for wellbeing west wales - we donated ten mobile sims for use by the volunteers. This was introduced to us through Michelle Hicklin a digital inclusion advisor for Wales Co-Op, again funded by tenders won in Wales during 2020. See CSR project 3
- 4) MS society – We donated three, months free usage of mobile broadband services and supplied subsidised tablet.
- 5) Llandaff Mothers Union – Digital Inclusion Project – The Mothers Union are addressing those individuals who cannot access the internet and are at risk of loneliness and isolation. Many of their members live alone, most are elderly and do not possess a digital device or have the necessary digital skills to connect with family and friends but also to follow Church services online (Live streamed on Facebook or on YouTube channels) They are excluded from these activities that they cherish dearly.
- 6) Where there is no specific project, we have decided upon assisting Age Concern to bring our targeted skills into their community centres and then throughout the UK, wherever the community surrounding the tender delivery, can be targeted. We have already engaged with Age Concern.
 - using a tablet and the internet,
 - social media and opening their own social media accounts,
 - cyber awareness
 - using face time to connect to relatives via Apple Face time and WhatsApp to Android users.

Donation – The project we sponsor are in-line with current guidelines as follows:
 We will donate 1% of the tender contract value as a CSR contribution.

- 1) Benefits to the community in donating the product and data service
- 2) Improving Digital skills
- 3) Well-being and mental health benefits to the community
- 4) Combating loneliness and isolation, inclusivity through social media adoption

Job Creation of disadvantaged groups and encouraging training and apprenticeships.

Specifically to employment - we have a strong track record and a demonstrable and measurable efforts in both encouraging employment for disadvantaged groups.



Ex-forces

We currently employ two ex-forces Engineers, one from the RAF and one from the Paratroop regiment. They are hardworking, conscientious, disciplined, punctual and well qualified. We see this as a benefit not a burden but 11.75% of the workforce is ex-services.

Encouraging employment direct from education

We actively recruit paid internships and graduates from local universities, we have three graduate trainees on the help desk who are being trained in a variety of high-tech skills. This accounts for 11.75% of the workforce.

Encouraging apprenticeship and personal improvement

We have a trainee accountant on a three-year formal apprenticeship with us at the moment which would be 5.9% of the workforce. She has on the job training and is enrolled with a formal apprenticeship and is progressing through a three-year course with time off for coursework. We are also engaged in two senior staff taking advanced courses in Management and MBO courses. See our Training, Employment and Apprenticeship policy

Diversity in the workforce

Midland telecom and IT has a clear and demonstrable policy of recruiting from BAME with 25% of the workforce being from this background. This is in line with the local population BAME proportions. Clear policies to train staff on making errors in recruitment because of unconscious bias. See our full equality, diversity and inclusivity policy.

Gender pay gap and workforce split

Good points are female staff are paid on average 4% more than their male colleagues at Midland Telecom and IT. There are proportionally more women in senior roles, shifting the gender pay gap to the males. Only 25% of the workforce is female and 75% is male. This is a difficulty we have within the industry, demonstrated in a recent recruitment exercise for a trainee graduate technician, we only had one female applicant from 137, despite noting that we were careful to not use language in the advert that might discourage female applicants. In non-technical roles the gender split is much more even.

Flexible working and new policies on Ageism and our status as Disability Confident

All help us to offer employment opportunities through the full spectrum of backgrounds although our impact is limited with a workforce of 20-25, we are happy the mix of age, race, gender, disadvantage backgrounds and employment training opportunities, is well beyond satisfactory and open to scrutiny by any outside body.

Creating employment opportunities by Awarding tenders to Midland Telecom

As long established, financially stable business with an excellent customer service record, if you were going to make a small compromise in awarding your tender to an SME, you could not be with a safer choice and this will also make a measurable, direct impact on job creation by awarding it to us. Our philosophy of recruiting directly from education and processing graduates with highly desirable and current skills in new digital technologies such as Hosted Telephony, Cloud Services, SIP, Computer Wide Area Networking, business continuity planning, computer telephony applications, mobile integration and other high tech skills and the latest 5G Mobile Technologies. Means your money is well spent and allied to CSR benefits.

Proof of the economic benefits of your contract on our employment and recruitment

This can be directly measured and you can observe the impact of your contract award in "job years" that you create.

We give very good customer service and account management. Virtually all public sector customers renew their contract to the maximum term permissible and then we win most renewals for subsequent terms. Because of this only 9% of our contracts erode each year, which means that the average customer stays for a remarkable 11 years.

If we divide the turnover of the business by the number of employees, we have £283,000 of annual turnover per employee. But because we keep a client for an average 11-year term, this means you only need provide us with

£283,000/ 11 year = £25,727 per annum to create employment. Your contract award gives an employee a job for a year if that business equates to a spend of just £2144 a month.

How could we assure you that you be giving a young person a job? We recruit new Graduate Trainees and Apprentices and equip them with valuable skills and experience considered “hot” in the jobs marketplace such as those described above. These Graduates, when fully trained, move onto higher paid positions and that leaves progression for a new trainee to be recruited. Our mix of experienced older staff from 34 years of trading, allows us to train new entrants.

Business improvement to reduce the impact on the environment

CSR – Reducing our carbon footprint

Midland Telecom and IT has a clear policy to reduce carbon emissions (directly from our activities) to zero in three years’ time. We have done this with an assessment of the amount of carbon emitted from the use of Internal combustion engine vehicles (ICE) and gas for heating the building, that are not currently from renewable or sustainable sources.

This audit has detailed:

- 1) Tracking the amount of fuel we buy for vehicles used by the technical and sales support teams and sourcing tables of CO2 emissions from the amount of fuel used.
- 2) Tracking the amount of gas used in heating the building and we are planning the replacement of the boiler with an electric version in our 2021 budget.
- 3) Tracking the amount of non-renewable sourced electricity used in lighting and powering the building.

Throughout 2021 until 2022, we will be replacing vehicles for the Account Management team with long range Tesla model 3, 2 x Hyundai Niro Electric and 1 x VW Golf ID3 and 1 x VW ID4 electric vehicles (EV’s). Several factors have combined to make the cross over point between the cost of Internal combustion Engine (ICE) vehicles and EV’s being economic. We found that the reduction in benefit in kind to 0%, 1% and 2% for the next three years, reduced fuel and maintenance costs, together with a contribution from the Employees in recognition of that lower BIK, has resulted in staff choosing EV replacements as the ICE vehicles retire over the next three years. This has greatly improved our carbon reduction target to reach zero, in less than three years’ time.

Furthermore, as an employer located in the Birmingham Clean Air Zone, we also offer free EV charging (from renewable electricity suppliers Bulb and EVO) to all employees who use their own EV cars. These points are installed in the car park to encourage them to switch to the new technology (no doubt encouraged by the £8 per day fee to enter the clean air zone). We have also sourced grants to fit charge points at their homes and a condition of the use policy of the EV, is employees use electricity from a renewable source.

The engineering, support and management team will replace their vehicles with lower costs EV’s from Kia, again they can be charged at work and home with renewable energy sources to maximize the EV and carbon free journeys. We still retain a pool car with an ICE which we can continue to use where the journey would make it difficult to use an EV. This difficulty should be resolved within the next three years, as more widespread, fast- charging infrastructure, is installed in mainstream locations.

Introduction on new electric boiler – with 2019 as an example, we used 36,671 Kwh of gas which emitted 0.185kg of Co2 per Kwh = 6.784 tonnes of CO2*

Although more expensive, the more efficient nature of the electric boiler emits no CO2 and allows us greater prestige being a zero-carbon supplier. We plan to fit a EHC Fusion Comet 39kW Electric System Boiler. This will use less Kilowatts as it does not emit most of the heat to the atmosphere through the flue. We can then use 15,000 kwh of renewable electricity; this will double our costs in terms of expense, but it is worth the additional expense taken from our environmental budget of £5,000 per annum. Maybe a subsidy is needed to encourage more adoption of electric boilers?

*source carbonindependent.org

Encouraging staff to adopt EV's – Other members of the workforce that do not have a company car can now charge their vehicles free of charge with renewable electricity. charging at work. This charging is from a certified renewable electricity source obtained by paying a small supplement on the tariff per K/Wh rate.

Electricity

We will purchase our energy from renewable sources at both home and office charging points and general electricity supply. Our building has a good rating for environmental efficiency. We will seek to improve and participate in saving energy by choosing low energy "A" rated appliances and low energy lighting, minimise the consumption of electricity by employing automatic energy saving features (such as unused lighting auto shut offs).

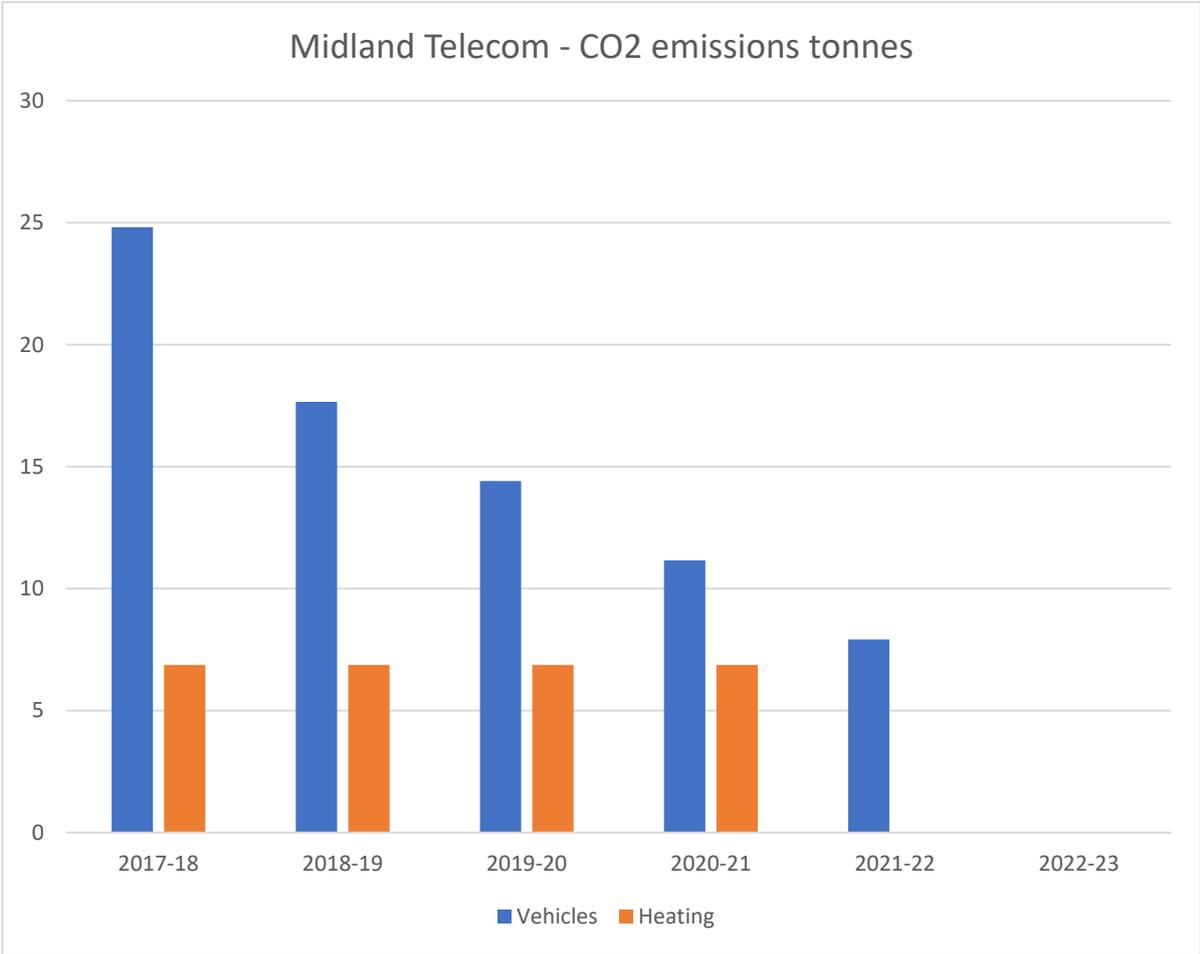
Cycle to work scheme - Employees are paying for bicycles using this scheme and receiving tax free salary sacrifices over 12 months to buy bicycles. Seven staff have already taken advantage of the scheme. Electrically assisted bicycles are proving popular.

Clean Air Zone

The advent of clean air Zones in 2020 around our offices in central Birmingham will mean most staff we employ will need to switch to hybrid and electric vehicles when selecting replacements to avoid charges and comply with legislation. Employees and suppliers are already being made aware of these restrictions and encourage to choose a vehicle that is compliant.

Buildings

Although our building has high "A" rated energy consumption banding, achieved through a significant refurbishment in 2014, we are in the process of making further improvements.



Supply chain and logistics

Choice of telecommunications supplier

The choice of licenced supplier in our supply chain is limited and wherever possible, we will give the customer a choice of which network they select, if they feel the environmental credentials of a supplier is preferred. These suppliers that account for over 90% of our purchases are: O2, Vodafone, BT Openreach and BT Group (including EE), Unify, NEC and Talk Talk Business, Virtual 1, Microsoft 365, Azure and Amazon Web Services.

Customers are given a free choice to select suppliers they feel score higher in environmental and sustainability issues

https://www.btplc.com/Purposefulbusiness/Ourapproach/Ourpolicies/Environmental_Policy.pdf

<https://www.vodafone.co.uk/sustainablebusiness/>

<http://www.o2.co.uk/sustainablebusiness>

<https://ee.co.uk/our-company/corporate-responsibility/building-trust/the-environment>

<http://unifyofficegroup.co.uk/environmental-responsibility/>

<https://www.nec.com/en/global/eco/announce/environmental-plan/index.html>

Working with the supply chain to reduce environmental risks

Sharing, promoting and implementing sustainable best practice.

Reducing waste in the water supply

We have installed dual flush low water consumption toilets in the building in a refurbishment in 2014. In addition to this we have converted the bottled water dispensers to use filtered and chilled tap water dispensers. We will monitor our use of water through the audit of our metered water supply and make improvements where practicable. At the moment our low consumptions and frugal systems mean we use very little water annually.

Plans for 2021 – Reduce Consequential emissions of CO2 through our supply chain

- This will be tackled with customers being offered (as a first choice) a carbon offset or neutral delivery, if it is significantly more costly than a standard delivery.
- Preference in tenders from our supply chain to favour suppliers with lower emissions or that use emission free vehicles, electricity from renewable sources, cloud suppliers.
- The impact of potential customers choice of new technology included in proposals e.g. the impact of lower emissions from changing from ISDN 30 (22watts) to SIP (1watt) reduces power consumption and therefore emissions by 0.219 tonnes of CO2 in a five-year contract term. See below table.

CSR - Promoting fair & ethical trade

Although this obligation is not applicable to business turning over less than £42m. We don't manufacture any of the products we use. We have checked our purchase ledger and sourced the policies from the majority of the money we spend on physical products from:

- Apple
- Samsung
- Unify
- NEC
- Cisco
- TP link
- Draytek

Plus policies of our significant network suppliers

- BT Group
- TALK TALK business
- Vodafone
- O2
- Amazon Web services
- Microsoft
- Virtual 1

We have checked the ethical sourcing policies of all these producers and are satisfied they comply with legislation to ensure an ethical supply chain and working conditions for their suppliers. All suppliers indirectly involved in this tender will have their policy checked. These are available from our website www.midlandtelecom.co.uk

CSR - Providing best practice guidance to support all businesses, whatever the industry or size, to make more sustainable choices.

Electronic waste is more of a best practice issue and we don't want to be responsible for un-recovered routers and other electronic devices from entering landfill through disposal. It is no trouble at all for us to re-cycle these products responsibly and hand them over to a registered specialist with ISO14001 that can recover and re-cycle many of the valuable materials stored within them.

Asset tracking as part of this tender - For your tender we can certify that any electronic waste we are likely to produce on supply of this contract or framework will be recovered and sent for ISO 14001 recycling. An audit can be requested where we track the IMEI, MAC address and serial number of the devices within our helpdesk management system.

Routers and all other products (except mobile) - there are two ways we can encourage better practice, one being the recovery of the old router and implementing systems that encourage that, such as clear labelling, asset tracking databases to alert of items not returned, with a picture to send the client and a label on it to show which is the correct product to return.

Display the lifetime consumption of electricity and the cost of that at market rates of 14p Kw/h. Although the UK is very advanced at producing renewably sourced electricity and the impact of any carbon reduction might be minimal.

CSR - Working with the supply chain to reduce environmental risks

- 1) Chillers with filtered tap water. This has replaced the large bottled water dispensers which were delivered by ICE vehicles.
- 2) Delivery of bottled milk with old fashioned milk bottles and an EV "milk float".
- 3) Packaging has now been changed so we don't buy (but re-use single use plastic "bubble wraps") but have change to recycled cardboard padding. The selection of packing tapes in now using bio-degradable paper versions.
- 4) We are seeking a courier choice that uses an EV to deliver the parcels we send.

In general, we will source suppliers that use waste reduction or carbon free or reduction elements to their service.

CSR - Sharing, promoting and implementing sustainable best practice.

**Waste reduction & recycling as part of CSR
Electronic waste**

Tenders - we can certify that any electronic waste we are likely to produce on supply of this contract or framework will be recovered and sent for ISO 14001 recycling. An audit can be requested where we track the IMEI of the devices.

Within this policy we address our handling of waste.

The sources of waste are:

- 1) General office waste which is simply recycled by using segregated bins and paper is shredded. Then the Office Management Company also has sets of bins where the waste is divided into classes and disposed of three times weekly into the Management Companies appropriate bins.
- 2) In addition to general waste we recycle packaging that we receive when sending out our own parcels. Not only does this save money but it means we are not buying newly produce cardboard boxes, padding.
- 3) Electronic waste and WEEE regulations 2013

Midland Telecom and IT is not classed as a "producer" of over 5 tonnes of electronic waste,

All electronic waste. We ship current estimates based on purchases is:

- Mobile phones 1000 per annum
- Routers 200-250 per annum
- Computer switches 100 per annum
- Telephone system cpu's 100 per annum
- Telephone system handsets 1000 per annum
- Personal computers 10 per annum
- Leads and power cables 1000 per annum
- Cabinets and patch panels 100 per annum

There is a thriving re-cycling market for all of these products to recover the raw materials contained within them, from the plastics through to the metal content, PCB components, solder and in some cases rare metals. We have just provided PRM Green Technologies (<https://www.prmgreentech.com/>) with a large consignment of our old electronic waste. They are an ISO certified waste management company and have collected and recycled all our surplus waste and produced the certificates for the disposal to ISO 14001. It was free to collect and certify. It is not a burden whatsoever to re-cycle these products, it is just finding a successful method of encouraging clients to return them at the end of their life. We have now introduced new initiatives to do the best we can to recover the old electronic waste.

1. Contractual obligations imposing a fee for not returning the old asset (paid to environmental charity).
2. Asset tracking systems within our helpdesk software with MAC address, serial number or IMEI number or products so we can check they have been returned.
3. Collection on distribution (e.g. swap routers old for new and return via the courier or provide free courier collect to return bags with a reminders process of emails, built into the ticket on the help-desk).
4. Collection on installation by our own engineers with job tickets detailing the old product is to be re-cycled under the terms of the contract.
5. Contract rentals offering lower rentals to "wipe and return" the asset at the end. This avoid old phones being left in drawers (often with sensitive data on them).

Dealing with each category of waste in turn

Old mobile phones are routinely recycled as follows:

- firstly, the clean one's are sold as second hand and get a new life (we offer this service to all clients and give them the proceeds).
- The rough one's are re-skinned, and a new battery inserted for issue as a refurbished model, again saving the materials and resources to manufacture a new phone.
- Finally, any remaining handsets that are unsuitable for re-use are sold to an ISO 14001 recycling specialist.

Old mobile phone batteries are placed in a collection bin for free dispatch to an ISO 14001 re-cycler.

Contractual terms and conditions with obligations to return electronic waste- is now being introduced along with terms and conditions that encourage re-cycling, such as a clear end of life collection policy linked to recovering the device and avoiding a contractual penalty for not returning the device. A free post envelope will be sent with warnings of a penalty automatically being issued to the account until returned or an environmental donation will be made with the proceeds.

Price guides and quotations are now containing lifecycle electricity consumption of PABX components, routers, and prompting clients to make more sustainable choices. This is encouraging sales and is proving valuable.

Changing from digital lines to IP lines – other points to consider

Effective consumption of electricity over a life span if not using renewably sourced electricity

Current ISDN 30 traditional telephone lines

5-year electricity consumption is 964Kw which can emit 0.3 tonnes of CO2 in its lifetime (lifetime electric cost £134.96)

Replacement router - TP Link TD -W9970 carrying SIP service



5 year electricity consumption is 262Kw which can emit 0.081 tonnes of CO2* in its lifetime (lifetime electric cost £36.68)**

Replacement router - Draytek 2926 carrying SIP service

5-year electricity consumption is 657Kw which can emit 0.203 tonnes of CO2 in its lifetime (lifetime electric cost £91.98)

Replacement router - Draytek 2762 carrying SIP service

5-year electricity consumption is 438Kw which can emit 0.135 tonnes of CO2 in its lifetime (lifetime electric cost £61.32)

*Source carbonindependent.org

**electricity at 14p Kwh