

INTRODUCTION

UL Consumer & Retail Services (CRS) Responsible Sourcing team would like to thank our team, guest speaker, Philip Olden, and valued guests joining us for UL's first UK Summit in London on May 16, 2017. We were thrilled to have Philip Olden representing Signet, the largest Jewellery Retail group in the world, give unique insights during our "Jewellery - Compliance, Conflict Minerals" session. Other sessions included, "How to Manage Complex Global Supplier Networks", "Managing Anti-Bribery Controls in Product Inspections", "Optimizing Social Audits – creative ways to gather additional insights during the Audit Process", and, "Ready to Detox? Green Services and Chemical Management".

If you were unable to join us for this event, UL shares a series of "An Interview With..." conversations with some of our speakers. This is our first blog from the event.

An Interview with Matt Scott



Matt Scott

UL's Environmental Health and Safety Sustainability Director of Business Development



UL RESPONSIBLE SOURCING'S JUDE MACKAY SPOKE WITH MATT SCOTT AFTER THE MAY 16 LONDON EVENT TO FIND OUT WHAT THE KEY THREADS OF THE DISCUSSIONS WERE.

Jude Mackay <<Matt, ULEHSS's PURE Platform (formerly known as "cr360") joined UL in 2016. Why did this merger take place?>>

Matt Scott <<cr360 had been working in EHS, sustainability and supply chain software since 2002 and had grown to be one of the leading businesses in a rapidly growing market. At the same time UL recognized that regulators and investors were increasingly demanding non financial risk management, transparency and demonstrable corporate compliance from businesses. UL saw cr360 as an opportunity to create a step change in the EHS software market. The software could transform the market by providing regulators, investors, clients better clarity, visibility and insights into operational performance and risk assess, map and demonstrate transparency>>

Jude Mackay <<Why does Responsible Business need Transparency?>>

Matt Scott <<In a phrase – risk management. Every responsible business needs to understand the risk in their supply chain and where their products come from. Sometimes raw materials are from a remote location in a non-traditional supply chain or in a developing economy. These locations may have different working practises,





social norms or unexpected risks to your supply chain than in other locations. Businesses that manage supply chain processes and risks well over time are more likely to maintain client trust and create increased and sustained value for owners and shareholders. Take the Bangkok floods in 2013, for example: those who knew about the risks to the area would have been able to mitigate potential impacts by diversifying suppliers or helping to move factories to locations with higher elevations, or outside the risk zones. Studies from Accenture show that supply chain disruptions cut the share price of impacted companies by 7%. So the risk is increasingly evident and the business case for action becomes clearer every day>>

Jude Mackay: <<Yes, it's unwise to put all your eggs in one basket, so to speak. You talked about climate risks and the impact to the supply chain. How does PURE Platform capture climate impacts? What sources of data can the platform accommodate?>>

Matt Scott: <<The PURE platform enables any data to be collected directly from suppliers (such as scope 1 and 2 carbon emissions) or secondary or pre-existing data to be consolidated in the platform. As well as using external data sources such as BSCI and other pre-existing audit data we can also use water, corruption, climate change or other data and relate this to supplier's performance. One of the most interesting developments is the ability to incorporate real-time risk data into a supplier's profile. This enables weather, political, conflict, natural disaster and other information to be overlaid onto your supply chain at the product level. This ensures potential value at risk is understood and alternative procurement options are presented to buyers immediately>>

Jude Mackay: <<You stated in the summit that it's important to know whom you're building supply chain knowledge for. We see the value in creating reports for shareholders, investors and consumers. But how would the data build or analysis help the supply chain?>>

Matt Scott: <<Yes, often the focus is on the benefits and value to the brands and retailers, however the value to suppliers is also very tangible. Once we understand the risks and performance of suppliers we can reward high performance: through supplier conferences, or via preferred supplier status and longer term contracts. Creating supplier dashboards and client dashboards, allow supply chain overviews of performance as well as a sharing of best practice>>

ABOUT UL EHS SUSTAINABILITY

UL EHS Sustainability is a division of UL, the premier global independent safety science company that has championed progress for 120 years. UL EHS Sustainability empowers organizations to protect the well-being of workers, reduce risk, improve productivity, enhance compliance, and drive measurable business improvement through its EHS, occupational health, environmental, supply chain, sustainability, and corporate social responsibility platforms. More than 2,000 organizations in over 20 major industries including manufacturing, healthcare, and construction & energy, trust UL's tools to meet their expanding needs. The new PURE™ Platform is a full suite of environment, health, safety, sustainability and supply chain software solutions designed for users who want total





connectivity and visibility into the overall health, safety, and sustainability of their organization.

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ABOUT UL RESPONSIBLE SOURCING

UL is a leading global provider of responsible sourcing auditing and advisory services, which include supply chain monitoring, research, program development, and training.

UL's Responsible Sourcing team has the global footprint to provide services in several countries.

For more information on all the ways you can rely on UL to help you manage sourcing risk, contact RSinfo@ul.com or visit ul.com/crs.

