



GLOBAL COMPACT END OF YEAR COMMUNICATION ON PROGRESS (COP)

Company Name	ARTICLE 13 LTD	Date	16 December 2006
Unit (if applicable)		Membership date	19 January 2004
Address	71A THE GROVE LONDON W5 5LL	Number of employees	20
Country	UNITED KINGDOM	Sector	CONSULTING AND AUDITING
Contact name	NEELA BETTRIDGE		
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Brief description of nature of business
<p><i>We are strategic advisors on risk associated with business responsibility. Typically in the areas of governance, CSR and sustainable development. We provide an independent perspective – a ‘third eye’ – that challenges the robustness and fitness of your company’s ability to deliver against future uncertainties. We help company Boards to develop strategy and policy through the use of research and stakeholder engagement. Upon completion and management, our work delivers innovation, organisation-wide responsibility and a deeper understanding of risk. We can either work alongside client teams or bring in specialist Article 13 resource.</i></p> <p>Good governance and CSR requires active identification of opportunity, management of the associated risks, open communication, measurement and transparency. At Article 13 we also believe it requires responsible business practice to be embedded into an organisation’s values and culture.</p> <p>We are part of the Article 13 Group whose sister company, Wheelhouse provides coaching, training and facilitation for responsible business and entrepreneurship.</p>

Statement of support				
<p>The Article 13 team is committed to upholding the values of the United Nations Global Compact (UNGC). The ten principles are embedded in our internal structures and are an integrated element of all strategic insight we provide to our clients, as well as our research/advocacy work. The principles are regularly reviewed to ensure our ongoing fulfilment of our pledge. We have the full support of our board and are striving to find new and innovative ways of meeting our obligation to global citizenship.</p>				
<table border="1"> <tr> <td>Signature</td> <td></td> <td>Position</td> <td>Director, Article 13</td> </tr> </table>	Signature		Position	Director, Article 13
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MEASUREMENT CHART
<p>In our 2005 end of year COP we launched a set of Key Performance Indicators (KPIs) against each category of the principles. Our ten month pilot of these KPIs was concluded in September 2006 with a staff feedback session.</p> <p>Overall the Article 13 team viewed the KPIs and corresponding measurement chart as a useful tool which served as a constant reminder of our objectives, provided a point of focus at review meetings and gave a month-by-month snapshot of our achievements as well as highlighted areas where improvement was needed. Moreover, having implemented this team reporting mechanism, we are better able to capture quantifiable data to measure and report on our overall progress in meeting our commitment to the UNGC.</p> <p>In light of the predominantly positive feedback received, we have agreed to continue using the measurement chart but with a scaled down version of the KPIs. Our experiences this year have shown that we are more likely to maintain momentum and enthusiasm by supporting one new flagship initiative each year.</p>

CATEGORY 1	HUMAN RIGHTS (UNGC Principles 1-2)
Policies	
Equal Opportunities Policy Dignity at Work Statement of Policy Health and Safety Policy	
Actions implemented in the last year (January – December 2006)	
<p>Article 13 is actively demonstrating commitment to human rights through efforts to address the human right of access to medicine and fair working conditions. Our three major undertakings in this area in 2006 have been:</p> <ul style="list-style-type: none"> ➤ <u>Access to HIV/AIDS medicines in Africa</u> In early 2006, building on previous work on HIV/AIDS issues, Article 13 ran a workshop for one of our clients, a global pharmaceutical company. The interactive workshop took place in South Africa with 250 English and French speaking delegates. The workshop gave the client an opportunity to evaluate their anti-retroviral therapy and education programme to understand better what worked, what did not work and where the gaps were. ➤ <u>Relay for Life</u> In September 2006 Article 13 entered a ten-strong team – “Carbon Busters” – of staff and associates in London’s inaugural Relay for Life, a walking relay in support of local Cancer Research UK initiatives. As well as walking round an athletics track for 20 hours, the team organised and ran a popular fundraising activity called ‘The Human Fruit Machine’. ➤ <u>Fair-Trade</u> This year Article 13 has also been working with a client to explore whether or not it would be possible to make the whole of their commodity business fair-trade*. To do this, they required Article 13 to help them understand current thinking and bring together opinions of key decision-makers within the organisation. The client wanted to develop their thinking in a 	

<p>number of areas to understand fully the links to their business objectives.</p> <p>*Fair-trade seeks to get better prices, decent working conditions, local sustainability, and fair terms of trade for farmers and workers in the developing world – terms by which all suppliers should have a right to work.</p>
<p>Measurable Results or Outcomes</p>
<p>➤ <u>Access to HIV/AIDS medicines in Africa</u></p> <p>Article 13's innovative engagement techniques left delegates feeling like their opinions were valued and being taken into consideration, whilst the client was able to understand better stakeholders' views and incorporate the findings into their strategy for scaling up their work in HIV/AIDS and access to medicines.</p>
<p>➤ <u>Relay for Life</u></p> <p>Article 13's involvement in Relay generated a great deal of excitement amongst the team and wider company networks. We surpassed the £1,000 fundraising target in support of Cancer Research UK's work and used the occasion as a springboard for boosting awareness of the human rights issues surrounding access to medicines and ethical medical treatment through our extensive communication channels – email newsletters, face-to-face meetings and our think tank website.</p>
<p>➤ <u>Fair-Trade</u></p> <p>Article 13 ran an energetic workshop which produced real blue sky thinking and a series of concrete next steps. As a result, key senior employees of the client's company are more enthusiastic and better understand the benefits of going down the fair-trade path, enabling more informed decision making.</p>
<p>➤ <u>Specific Reference to Principles 1 and 2</u></p> <p>We achieved our KPI of making two specific references to the links between Article 13 research and Principles 1 and 2 on human rights. The references were made in our "Feel the Force: IT and CSR" website update which was the main feature on the Article 13 site for eight weeks in which time there were approximately 20,000 visitors to the site. The research was sent to over 1,100 people by e-newsletter.</p>

CATEGORY 2	LABOUR (UNGC Principles 3-6)
Policies	
<p>Equal Opportunities Policy</p> <p>Dignity at Work Statement of Policy</p>	
Actions implemented in the last year (January – December 2006)	
<p>➤ <u>In-house Forums</u></p> <p>In order to meet the standard for our KPI encouraging open discussion of labour issues, we have been using our regular Status Meetings as a discussion forum. Earlier in the year our French intern ran a number of sessions on labour issues in France and how they compare to the UK. Invariably a short presentation would be followed by a question and answer session which highlighted gaps in our knowledge for follow up in the next session.</p>	

➤ Stakeholder Feedback

This year we have implemented a new ISO quality process whereby we conduct short interviews with clients at the end of each project. Findings from these review meetings are distributed amongst the team and have helped us reflect more closely on our relationships with other staff and associates to ensure that we continue to develop fair and equitable business relationships.

➤ Staff Coaching

A very important development in the latter part of this year has been the introduction of individual and team coaching within the organisation. Sessions are run by one of the directors with interested staff members on a weekly or fortnightly basis. They are designed to enable employees to develop and grow within their job roles and increase their level of self-awareness.

➤ Work Experience

After the success of having a jobseeker from the Refugee Council's Mentoring Scheme undertake work experience here in 2005, we have continued our proactive stance on equal opportunities and diversity by providing a similar opportunity to a Bulgarian who is looking to develop IT and administration skills.

Measurable Results or Outcomes

➤ In-house Forums

Our forums on labour issues generated debate and discussion which has increased the team's understandings of our rights and responsibilities as employees.

➤ Stakeholder Feedback

By means of this feedback process we have enhanced our internal processes and have become more receptive to feedback from our stakeholders. Following on from this experience with our clients and questionnaire feedback received from our Associates in late 2005, we will now be implementing a more formal end of project review process with Associates to identify issues arising in relation to the openness and transparency of our working relationships.

➤ Staff Coaching

These coaching sessions, taken up by two members of the core Article 13 team ongoing for the last six months, have strengthened the learning culture here at Article 13. Coachees have responded positively to the experience and risen to the challenge of adopting new habits and considering ways of implementing improvements to their work practices. This empowerment of team members has resulted in diversification of roles and an increase in responsibilities entrusted to individuals.

➤ Work Experience

Having received guidance from the Article 13 team and increased confidence in his own abilities, our Bulgarian intern has been attending a course which will enable him to convert his Bulgarian qualifications to the UK standards. He is also taking steps to set up his own business.

CATEGORY 3	THE ENVIRONMENT (UNGC Principles 7-9)
Policies	
Environmental Policy Ethical Supply Chain Policy	
Actions implemented in the last year (January – December 2006)	
<p>➤ <u>Public Relations</u> One of our KPIs for the period November 2005 to September 2006 was to achieve a minimum of ten public relations opportunities in which Article 13 was advocating a more responsible approach to the environment by business. We built this objective into our public relations strategy.</p> <p>➤ <u>Environmental Impact</u> In 2006 we have continued to monitor our energy/stationery consumption and report on our overall environmental impact. We review our progress on a monthly basis at our regular Status Meetings, highlighting areas for improvement, setting targets and identifying new initiatives for implementation.</p> <p>➤ <u>Carbon Clause</u> Our Carbon Clause KPI sets a target of 100% client contracts despatched incorporating a section for signatories to sign up to our carbon offsetting option. We also set ourselves the target of achieving 80% sign up to the carbon clause for the period November 2005 to September 2006.</p> <p>➤ <u>Recycling Collection</u> Previous COPs have made mention of the fact that our local borough does not provide a recycling service for businesses. This situation has not changed and a member of the Article 13 continues to remove all glass, tin and plastic waste for recycling. Separately, we also have a paper recycling facility which is regularly emptied.</p> <p>➤ <u>Specific Reference to Principles 1 and 2</u> We strive to be advocates of the UNGC and are always looking for new ways of using our opinion forming website to spread the message. In March 2006 we released a research paper onto the site entitled “Evolution: still a world changing idea”. The paper incorporated Principles 7-9 to demonstrate the link between business performance and climate change.</p> <p>➤ <u>London Remade Pledges</u> In June 2006 Article 13 attended London Remade’s ‘Making IT Sustainable’ event and along with other attendees signed up to five pledges aimed at reducing our impact on the environment through better and more efficient use of information technology in the office. The pledges called for individuals to print using the double sided function, turn off computer monitors when away from their workstation, reuse plastic carrier bags, utilise computer reuse charities when upgrading computers and sign up to the Mayor’s Green Procurement Code as a commitment to buy recycled paper.</p>	

➤ Office Move

A couple of weeks prior to going live with this report, Article 13 commenced operations in new premises. Throughout the process of physically moving our office and setting up in the new place, we have been extremely vigilant about carrying out our activities in a way which causes minimal impact on the environment. We have selected suppliers based on their social, environmental and ethical performance. For example, in sourcing boxes for the move we used a company which provided us with recycled cardboard boxes; in arranging for collection of our unwanted furniture we contracted a charity which provides used office furniture to community and social enterprises; and in arranging for collection of waste paper and cardboard, surplus computer equipment and other supplies for recycling and reuse we used a company which provides an office recycling service. We also ensured that our new building has been thoroughly insulated in an effort to cut back on overall energy consumption and purchased energy efficient light bulbs and new low energy monitors to contribute further to this ambition.

In our new office, we have implemented a bin-less office policy with separate marked bins for placement of paper for recycling or reuse; glass, cans or plastic for recycling and a bin for general waste. Being responsible for the selection of our own utility providers as well as office cleaning and maintenance also means we can be more proactive on these fronts. We are now able to better achieve our commitment of using only cleaning products which are environmentally friendly and other office supplies which are recycled, from sustainable sources or fair-trade. In the new year we will focus our efforts on switching to green energy and implementing other initiatives into our office to make it even more energy efficient.

Measurable Results or Outcomes

➤ Public Relations

We are proud to have exceeded the target set in this KPI to achieve 13 print and broadcast appearances promoting a responsible business approach to the environment. These appearances have been on topics ranging from climate change and World Environment Day through to the role of UK Regional Development Authorities in urban regeneration and articles on 'business with a conscience'. Our articles have appeared in The Independent, Times, Sustain Magazine and the Governance newsletter; media representatives have given comment on BBC Radio 4, CNN Morning News and several ITV channels.

Earlier in the year one of our senior environmental specialists was invited by the British Council as the international guest speaker at the Zero Carbon Cities Conferences held in South Africa and Spain. The aim of this campaign was to raise awareness and educate communities about issues related to climate change, for example, energy efficiency, fuel switching and public transport planning. The conferences were attended by local government officials, business, academics, university students, school children and the media. Article 13's speaker gave lectures and participated in debates to provide an interesting take on climate change based on our organisation's first hand experience of how government, business and civil society groups are attempting to address the issue. At both conferences our Article 13 representative made specific reference to the UNGC and, in particular, the principles relating to the environment. Instead of direct payment for the trip to

Spain, the British Council donated the equivalent of our 2005 accumulated carbon emissions.

➤ Environmental Impact

In 2006 members of the Article 13 team have been out on the road both nationally and internationally more frequently than previous years. As a result, our air travel emissions are significantly higher. However, in terms of fuel consumption a concerted effort to use public transport and walk instead of taking taxis means we have managed to maintain our emissions at a similar level to the previous two years.

We have made great inroads in reducing our paper and printing consumption in 2006. In fact, with two weeks to go before year end the statistics are showing that we will have reduced the number of reams used by 22% and our printing usage by 25%. We have also been successful in maintaining consistency in terms of our electricity usage. This year's records show a negligible increase on 2005 figures of 1.4%.

➤ Carbon Clause

Earlier in the year, following several omissions, we have implemented safeguards and easy-to-use templates to ensure that the carbon clause information is an integral part of all client contracts. Since that time 100% of contracts despatched have included this section. On the other hand, despite having committed to talk to each client about the carbon clause before despatch of the contract, we have not even achieved 50% sign up. We have been disappointed by our performance in this area and are committed to looking at alternative ways of enlisting client support for this carbon offsetting initiative or something similar.

➤ Recycling Collection

There is now less general waste being removed from the office each day as the team has become more vigilant about using the recycling bins provided in the office. The amount of recycling we produce each month, however, has increased in 2006 and we have now challenged ourselves to seek out and implement novel ways of making reductions in 2007.

➤ Specific Reference to Principles 1 and 2

'Evolution: still a world changing idea' was the main feature on the Article 13 website for two months and is now easily accessible in our archive. The research was distributed electronically to more than 1,400 people in the Article 13 network and approximately 20,000 people visited the website whilst this was our main feature.

➤ London Remade Pledges

Several of the actions outlined in the pledges were already part of our company culture, but the initiative served as a renewed reminder to individuals to reduce their own environmental footprint and be responsible for their actions. The reductions in printing and paper consumption as well as the negligible increases to our electricity usage, as outlined in the Environmental Impact section above, serve as evidence of our success in the respect. Moreover, in 2006 we have also donated our excess computer equipment to Computer Aid International, a charity working to improve access to information technology in schools and community organisations in the developing world.

➤ **Office Move**
 Our efforts in relation to the office move have ensured the UNGC environmental principles have been given significant coverage amongst our team in the latter part of 2006. There has been a visible behavioural change across all levels of the organisation with individuals acting more proactively to reduce our company's environmental footprint. It is too early to provide other concrete measurements showing the impact of our office move initiatives, but we are confident that the sense of invigoration felt by this change will be very evident in next year's activities and reporting.

CATEGORY 4	ANTI-CORRUPTION (UNGC Principle 10)
Policies	
Anti-Corruption and Bribery Policy	
Actions implemented in the last year (January – December 2006)	
Article 13 has made significant changes to its financial system in this period. We now have an in-house bookkeeper, have cut out duplication of effort and are more actively reviewing financial reports to ensure consistent and accurate data entry. Moreover, we have implemented a system whereby our auditor carries out a quarterly check of our financial system as well as the usual end of year assessment.	
Measurable Results or Outcomes	
On the occasions where our auditor has identified small oversights or inconsistencies in our financial processes we have rectified them without delay. We are also being more diligent about shredding confidential information.	

Making this COP available to our stakeholders?
This COP is available on-line at www.unglobalcompact.org and www.article13.com .
It will also be distributed to company employees, board members, clients, suppliers, associates and other members of the Article 13 network, as appropriate.

