

Article 13 Communication on Progress for the United Nations Global Compact 2015



Period covered by Communication on Progress: 01/09/14 – 01/09/15

About us

Article 13, founded in 1998, works with large corporations, typically science-and engineering-based, to help them manage the potential impacts of their **business strategies** on society. Our approach is unique. It's designed to **unearth hidden risk** and **break down** any **cultural barriers** to embedding **Societal Value** considerations into businesses, both public and private.

This report

We are a specialist consultancy, and as such, have included reference to both consultancy advice for our clients and our own internal business implementations in the period covered.

Statement of continued support by Article 13 Director and Co-Founder

To our stakeholders,

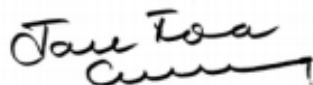
On behalf of Article 13, I am delighted to reaffirm our support for the Ten Principles of the United Nations Global Compact in the areas of Human Rights, Labour, Environment and Anti-Corruption.

“2015 might be one of the most important years since 1945” – Mary Robinson, UN Special Envoy for Climate Change

This year marks an important and crucial time at which we move towards a more sustainable future with the 2015 Paris Climate Conference taking place and the new Sustainable Development Goals (SDGs) being outlined. We have considered the SDGs in this year’s report and how we, as a company, plan to incorporate these goals into our activities.

This is Article 13’s eleventh communication on progress for the UNGC. This year we have outlined the activities undertaken to uphold the Global Compact and its ever-important principles. We are also committed to sharing this information with the company’s stakeholders using our primary channels of communication. By integrating these principles into our business operations, strategy, and our cultural values, we, as a business, aim to improve both internally and externally. Our aim for the coming year is to make a step change in our approach, selecting an SDG to focus SMART actions on, in addition to the UNGC principles.

Yours sincerely,



Jane Fiona Cumming



The UNGC Principles

Human Rights Principles

Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights; and

Principle 2: Make sure that they are not complicit in human rights abuses.

Assessment, Policy and Goals

The Universal Declaration of Human Rights is integral to Article 13's human rights policy. We require that all our employees, suppliers, and associates respect these fundamental policies.

This year, we have begun producing a monthly newsletter for our clients and associates. This monthly bulletin will consider sustainability themes and debates, including discussion around the launch of SDGs. This bulletin will advocate on these issues and keep our networks informed.

Implementation

❖ We have continued a supply chain assessment programme for a multinational retailer. The assessment ensures that vendors meet acceptable ethical and human welfare standards. This reduces the risk of non-compliance and human rights violations, and develops a collaborative process and dialogue between our client and its suppliers, facilitating continual improvement.

❖ Article 13 employees attended the Sedex *"Global Responsible Sourcing Conference & AGM - Supplying the future: supply chains & the post-15 development agenda."*

❖ We have continued to advocate for human rights with our social media audience. This has been facilitated by a growing following on social media sites. We often make use of Twitter to engage our audiences around these topics, for example:

"58m children not in school, much more still to be done if we are to achieve MDG2 by 2015 #education - NEW BLOG goo.gl/Q0suAd"

❖ We monitor our own activities, those of our suppliers, and those of potential clients for human rights and ethical issues.

Blog posts on our website have engaged our audience on current human rights issues and debates, including: *"Corporate Human Rights – Further Standards Needed?"*, *"28 years on, is the world a more just and equal place?"* and *"Food access a right to all – and an obligation for everyone?"*

Measurement of outcomes

❖ Article 13 assessed 45 of the multinational retailer's suppliers against policies for fair labour practices in 2014. We further reviewed and graded the client's suppliers' ethical trade and monitoring systems. An additional 45 vendors are being audited for the current year.

❖ Our formal policy on Human Rights has been shared with employees, associates and related parties.



Future Goals

As in past years, we remain deeply committed to continuously encouraging and informing our clients and associates about the importance of the human rights principles and the potential risks of ignoring them. Bringing our policies on human rights to the attention of our current and prospective clients is a priority for the upcoming year.

Sustainable Development Goal 4 – Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all.

In alignment with the UNGC Human Rights principles and our own policies regarding human rights, we plan to integrate the SDGs into our operations, specifically Article 4.7 outlined below.

Article 4.7: By 2030 ensure all learners acquire knowledge and skills needed to promote sustainable development, including among others through education for sustainable development and sustainable lifestyles, human rights, gender equality, promotion of a culture of peace and non-violence, global citizenship, and appreciation of cultural diversity and of culture's contribution to sustainable development.

We intend to foster younger generations' sustainability skills, as part of our engagement with Generation Y and advocacy on sustainable living. This includes engaging with our clients around the promotion of these skill sets. We intend to support IEMA's Skills Campaign to highlight the need for environmental and sustainability skills in businesses worldwide.



Labour Principles

Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;

Principle 4: the elimination of all forms of forced and compulsory labour;

Principle 5: the effective abolition of child labour; and

Principle 6: the elimination of discrimination in respect of employment and occupation.

Assessment, Policy and Goals

Article 13's company policy reinforces all of the chief labour principles, stating that *"the fair and equal treatment of all employees and that encouraging diversity is critical to our future success."* We are *"committed to promoting an environment where all individuals are recruited, selected for specific projects, appraised, trained and promoted on the basis of fairness and professional competence."* This will enable us to draw on the widest possible source of talent, ensure the effective use of staff and reward employees on the basis of their merit, regardless of their background.

Implementation

- ❖ Article 13 developed a training program for the European Trade Union Confederation (ETUC).
- ❖ We engaged our social media audience with continued advocacy of labour rights. For instance, we tweeted:

"#GenY attitudes about work and career goals <http://goo.gl/KtVeWJ> what do young people look for in their employer and their career".

- ❖ Article 13 employees attended a 2degrees webinar – *"How ASDA and GSK are changing the game through supplier collaboration"*

"Insights, input and advice from ASDA, GSK and 2degrees on the new approaches to building large scale sustainable collaboration and transparency across the supply base [...] How you can use the critical skill of facilitation to create and reward collaborative behaviours whilst ensuring compliance with competition law."

- ❖ Article 13 employees attended a Sciencewise webinar – *"Introduction to public dialogues: engaging the public in complex and controversial policy issues"*

"Engagement that brings together members of the public, policy makers and experts [...] to make more robust decisions reflecting (rather than at odds with) public values."

- ❖ We created workshops and newsletters on the "Generation Y Perspective", which discussed current perspectives and future trends in youth employment, as well as sustainability themes aimed at Generation Y.

Measurement of outcomes

- ❖ Article 13's ETUC training program culminated in a 2 day event delivered in 4 languages, engaging 60 trade union officials from across Europe. The event introduced our audience to GRI reporting, corporate social responsibility, materiality, and how these relate to trade unions. A toolkit was also prepared for the program and provided to each delegate in attendance. The program was well received, with attendees stating that it was *"informative"* and that *"every part was useful"*.
- ❖ In the context of these events, Article 13 created a 30-page toolkit encompassing six global best practice standards, corporate responsibility and labour principles. These included:
 - OECD Guidelines for Multi-National Enterprises
 - ISO 26000 Guidance Standard on Social Responsibility
 - ILO Tripartite Declaration of Principles concerning Multinational Enterprises and Social policy.
 - UN Guiding Principles on Business and Human Rights
 - ILO Declaration on Fundamental Principles and Rights at work
 - ILO Core Labour Standards and the,
 - Ten principles of the United Nations Global Compact
- ❖ Our 'Generation Y' workshop, "Futures 2015-25" was attended by 10 persons from an array of sectors, who were able to identify future trends and analyse different perspectives regarding youth employment.
- ❖ This year we have engaged five members of Generation Y through direct employment and work experience opportunities.

Future Goals

Sustainable Development Goal 8 – Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all.

For the coming year, Article 13 seeks to enhance its operations in reinforcing the labour principles as a staple of business through work with a trade union. We intend to make progress in these agendas not only within our own business, but also within those we work with.

Article 8.6: by 2020 substantially reduce the proportion of youth not in employment, education or training

We intend to continue the professional development of Generation Y by creating, at minimum, three more work experience roles for the coming year. We will also continue to engage our clients on these agendas.

Through our newsletter, we will share latest worldwide developments and issues with our clients and associates, surrounding the SDGs as well as the UNGC labour principles.



Environmental Principles

Principle 7: Businesses should support a precautionary approach to environmental challenges;

Principle 8: undertake initiatives to promote greater environmental responsibility; and

Principle 9: encourage the development and the diffusion of environmentally friendly technologies.

Assessment, Policy and Goals

All Article 13 employees pride themselves on their environmental values. As stated in our environmental policy, *“Article 13 seeks to demonstrate active leadership in environmental management, and inspire clients, partners and its wider networks to do the same.”* We aim to reinforce our commitment to the environment by reviewing our environmental performance monthly and annually.

As part of our involvement with the environmental principles, and our own policies, we are committed to raising environmental awareness among our clients and associates. We provide consultancy services to help them improve their environmental performance and impact.

Implementation

- ❖ Article 13 conducted a desktop study for a multinational food and drinks company examining biodiversity at their production sites which involved mapping, findings, analysis and resulted in 3 key recommendations.
- ❖ Article 13 published practitioner research – *“The World at 2035: Who are the “extra” 2 billion?”*, *“A Stable Ecosystem – embedded in company thinking”* and *“Biodiversity at a tipping point”*
- ❖ Article 13’s Director completed a course by Jeffrey Sachs and Emmanuel Guerin – *“Climate Change Science and Negotiations”*

“We need you to show the world how an ambitious, fair and effective global agreement on climate change can be achieved.”

- ❖ This year, in addition to our existing paper recycling program, we have started to recycle plastic and cans, which has contributed to our efforts to preserve our local environment.
- ❖ Article 13’s Co-Director attended the “Paris – Business and Climate Summit.”
- ❖ Choosing to cycle to work is a popular choice among employees, with the remainder using public transport.
- ❖ For meetings overseas, we operate a three-tier approach before purchasing air travel:
 - 1) Does the client require us to be present at the meeting?
 - 2) Can we achieve the same via video conferencing?
 - 3) Is it possible to combine other meetings in that country?
- ❖ Article 13’s Director completed a course by Johan Rockström – *“Planetary Boundaries and Human Opportunities”*



“The fundamental question is how our societies can develop in a just and safe way within the planet’s boundaries.”

We engage strongly with our Twitter audience by sending out numerous tweets a week. For example:

“Scientists warn of ‘dramatic turnover’ in #biodiversity even if UN meets goal of limiting #globalwarming to 2°C <http://goo.gl/U1dpT7>”

Measurement of outcomes

- ❖ Article 13 examined 29 production sites for a multinational food and drinks company, of which 15 reported being near areas of notable diversity. This helped the company to understand a baseline of local biodiversity at their sites of production by understanding their own impact on local biodiversity.
- ❖ Article 13 published research on Social Boundaries and the Sustainability Context Principle by adopting a practitioner perspective to examine how organisations can (and do) translate notions of global, national and local social "limits" and baselines to their organisation-level context and performance.
- ❖ As a company, all employees travelled to and from work via public transport or cycling.

Future Goals

Sustainable Development Goal 15 – Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, and halt and reverse land degradation and halt biodiversity loss

Our commitment to preserving the environment is why we are integrating the SDGs to our policies, and will continue to advocate these goals with those we work with, specifically:

Article 15.5: take urgent and significant action to reduce degradation of natural habitat, halt the loss of biodiversity, and by 2020 protect and prevent the extinction of threatened species.

Article 15.a: mobilize and significantly increase from all sources financial resources to conserve and sustainably use biodiversity and ecosystems.

In the coming year, we will work with companies on the ways in which they can map biodiversity, and directly assess their own impacts on biodiversity. By undertaking such work, we build awareness on environmental themes and support clients with possible solutions. We will advocate these measures with our clients, both current and prospective.

Our monthly newsletters focus strongly on informing our clients and associates concerning key environmental debates and issues, in the context of the Sustainable Development Goals, and towards COP21.



Anti-Corruption Principles

Principle 10: Businesses should work against corruption in all its forms, including extortion and bribery.

Assessment, Policy and Goals

Article 13 is committed to eradicating all forms of corruption within the workplace, as highlighted by our statement that *“integrity is central to ethical performance in all our dealings with clients, suppliers and staff.”* We uphold these values and, when working with other organisations, maintain a zero tolerance policy regarding any wrongdoings or non-compliant activities.

Implementation

- ❖ Article 13 worked with an Agri-business company on ethics and researched an open access approach toward their patents and intellectual property.
- ❖ We maintain our accreditation to the ISO 9001 quality management system.
- ❖ We are committed to meeting our legal and societal responsibilities through our internal policies (Fair Commercial Terms and Integrity).
- ❖ Our financial records are subject to external audit annually.

Measurement of outcomes

- ❖ Article 13 has not been involved in any legal proceedings, rulings or litigious events of any nature related to any UNGC principle.

Future Goals

Sustainable Development Goal 16 – Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive

Article 13 is best positioned to make progress towards the agenda of points 16.6 and 16.7 of the sixteenth SDG.

Article 16.6: develop effective, accountable and transparent institutions at all levels;

Article 16.7: ensure responsive, inclusive, participatory and representative decision-making at all levels

In the coming year, Article 13 we will be engaging with clients and informing them on how they can become more transparent through the use of non-financial reporting. As such we encourage a co-production approach towards decision making. We cite NESTA who state *“Where activities are co-produced in this way, both services and neighbourhoods become far more effective agents of change”*

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This CoP covers our activities from September 2014 to September 2015 and will be available on www.unglobalcompact.org and on our website. We are committed to communicating this report to Article 13 employees, board members, clients, suppliers, associates and other members of the Article 13 network as appropriate.

