



Global Compact Annual Communication on Progress

Avasant's Adherence to UN Global Compact Principles

Version 1.0

Prepared for:

UN Global Compact Office

October 2012

AVASANT GLOBAL COMPACT ANNUAL COMMUNICATION ON PROGRESS

Company Snapshot

Company Name	Avasant LLC	Date	September 2012
Address	1960 E. Grand Avenue, Suite 1050, Los Angeles, California 90245	Membership Date	21 st November 2011
Country	US	Number of Employees	250+
Contact Name	Kevin S. Parikh	Sector	Management Consulting
Contact Position	Global CEO & Sr. Partner	Contact Telephone Number	+1 (310) 571-5211

Company Overview

Avasant Global Consulting (Avasant), with global headquarters in Manhattan Beach, California, is ranked as one of the “**Top-Ten**” **management consulting & strategy firms for Information Technology** as published by the **Wall Street Journal** and **Black Book of Outsourcing**. Headquartered in Los Angeles, Avasant has offices in San Francisco, San Diego, Chicago, New York, and Mumbai (India).



Avasant has been ranked as one of the top IT consulting firms and best places to work for by Vault Consulting. Avasant has also been nominated by the National Outsourcing Association as one of three nominees for Corporate Social Responsibility in 2012.



Avasant helps clients with strategic advice to government and private enterprises to develop and implement business strategies and improve process efficiencies. It also helps small and medium sized organizations increase their market share by enhancing their process efficiencies and customer reach. Avasant's management consultants, and advisors, offer focused advisory services for developing market-expansion strategy, business process assessment, public-private partnerships as well as operations and compliance. Avasant's methods and practices have been refined over decades of experience spread across a talented team serving clients worldwide. Our team has conducted over 1,000 consulting engagements collectively since 2001 and are leaders in the Outsourcing Advisory Space especially in the US and Africa.

- Avasant has been at the forefront of the Global Expansion of Outsourcing Services. Among our credentials are the Black Book of Outsourcing's '**Number 1 BPO Advisor**' and '**Top 10 Full Service Advisors**' honors. Additionally, Avasant has been ranked in Top 10 for three years consecutively as the 'World Best Outsourcing Advisors' by the International Association of Outsourcers (IAOP) in 2012, 2011 and 2010. Avasant has also been nominated by National Outsourcing Association (NOA) Award for Corporate Social Responsibility 2012. Vault Consulting Survey ranks Avasant as one of the Best to Work Technology Consulting Firms 2013.
- Leading advisory firm with extensive experience working with various Governments and donor agencies such as The World Bank, USAID, The Commonwealth Secretariat among others to promote and expand markets for countries such as Ghana, South Africa, Jordan, Jamaica, Dominican Republic, Bangladesh etc.
- As a strategic advisor, Avasant plays a unique intermediary role between multinational and government clients seeking consulting and implementation services and the global service providers who offer them. With our deep relationships in "buyer" markets like the US and UK, we maintain close relationships with many Fortune 1000 companies, as well as a strong presence in leading service provider geographies like India and China.

Declaration of Support

TO WHOMSOEVER IT MAY CONCERN

I am pleased to confirm that Avasant LLC reaffirms its support of the Ten Principles of the United Nations Global Compact in the areas of Human Rights, Labour, Environment and Anti- Corruption.

In this annual Communication on Progress, we describe our actions to continually improve the integration of the Global Compact and its principles into our business strategy, culture and daily operations. We also commit to share this information with our stakeholders using our primary channels of communication.



Kevin Parikh
Chief Executive Officer

Statement of support

Avasant wholly supports and adheres to UN's ten principles of the Global Compact and its endeavour to make this world a more conducive environment that fosters collaborative progress of businesses and society. Avasant believes that corporate social responsibility makes good business sense and imbibes UN's ten principles across its various processes and practices including

- Winning and Retaining Clients
- Recruitment and Retaining Employees
- Supply chain
- Culture and Value System
- Sustainable growth, revenue generation and profitability
- Accountability to stakeholders, society and the environment

Avasant's adherence to UN's ten principles of the Global Compact has been detailed as follows:

PRINCIPLE 1 BUSINESS SHOULD ENSURE THAT THEY ARE NOT COMPLICIT IN HUMAN RIGHTS ABUSES

PRINCIPLE 2 BUSINESS SHOULD SUPPORT AND RESPECT THE PROTECTION OF INTERNATIONALLY PROCLAIMED HUMAN RIGHTS

PRINCIPLE 3 BUSINESS SHOULD SUPPORT THE ELIMINATION OF ALL FORMS OF FORCED AND COMPULSORY LABOUR

PRINCIPLE 4 BUSINESS SHOULD SUPPORT THE EFFECTIVE ABOLITION OF CHILD LABOUR

PRINCIPLE 5 BUSINESS SHOULD SUPPORT THE ELIMINATION OF DISCRIMINATION IN RESPECT OF EMPLOYMENT AND OCCUPATION

Internally...

Avasant's Commitment

Avasant is a strict equal opportunity employer and believes that its inherent strength lies in the diversity of its workforce. It strongly believes that its employees are its biggest asset. They contribute through their intellect, knowledge, implicit understanding and passion towards Avasant's goal of guiding its clients through often difficult, uncertain and ambiguous situations. Avasant through its policies upholds human and employee rights and strongly believes in acknowledging and respecting dignity, rights and ambitions of its employees. We treat our employees that are located globally impartially and fairly irrespective of their tradition and values. We had zero attrition during the peak of global financial meltdown and continue to believe in securing the employment of our people. We have a zero tolerance policy for any kind of harassment, discrimination, coercion and misconduct. We believe in fair-trade policy and neither permit nor use any child labour, bonded labour or prison labour.

Avasant's Initiatives

Avasant holds formal 360 degree feedback sessions twice a year along with informal interactive "happy hour" sessions at least once a month. Through these interactions, employees voice their concerns and suggest changes to any policy or practice that will help nurture and develop them personally and professionally. Ideas that integrate teams globally and provide equal opportunities are also discussed. Any idea that is favoured by the majority is then taken up as a time bound initiative. Our partners and buddy mentors also hold regular one-to-one sessions with our associates where concerns are discussed freely while maintaining anonymity.

Avasant's Impact

Being cognizant of the fact that a consulting job can be demanding on an employee's time, Avasant supports flexi-working which allows a consultant to work from his/her home as per convenience. We also believe that this lets a consultant maintain a healthy life-balance and offers them more control of their own time. We have received positive feedback from our employee on our policies and believe that it has created good will not just among our employees but also the very people they

impact – our stakeholders and clients.

Externally...

Avasant's Commitment

Avasant has adopted a focused approach to align its Corporate Social Responsibility initiatives with its deep expertise in Outsourcing:

- Avasant strongly believes in the philosophy of giving back to the society and supporting the disadvantaged in the society. The firm works with various Non-Government Organizations (NGOs) globally, primarily in areas of sustainable employment generation and social upliftment.
- One of major initiative which the firm has been involved is with **The Rockefeller Foundation's "Poverty Reduction through Information and Digital Employment"** (PRIDE) program. PRIDE aims at employment generation for the poor and disadvantaged in the African continent through Impact Sourcing. Avasant's global team is supporting this crucial initiative by providing best practices insights and sharing its deep experience in the outsourcing arena.
- Avasant also supports various charities directly and in-directly by contributing time and efforts of its associates as well as support fund-raising. For instance, Avasant has been involved with Sony Charity Golf Tournaments for last three years (<http://www.avasant.com/events/Sony-Charity-Golf-2012>). The event in its 6th year now is organized every year by Sony Electronics in order to raise important dollars for charity.
- Avasant has also been spearheading the Green Sourcing initiatives within the IT Outsourcing industry. The leadership team has given presentations in multiple conferences and has been coaching the companies on the need to move towards green and emphasize the need in the sourcing cycle.
- Avasant also supports the initiatives by World Vision International & Inter-America Development Bank (IDB) globally and in Haiti respectively. The initiatives are aimed at sustainable community development and poverty alleviation by creating sufficient infrastructure and adequate jobs.

Avasant's Initiatives and their Societal Impact

Impact Sourcing: Empowering Poor and Vulnerable People

Avasant is proud to partner with "The Rockefeller Foundation" in its Poverty Reduction through Information and Digital Employment (PRIDE) initiative called Impact Sourcing that aims to reduce poverty across the globe by bringing the poor and disadvantaged into mainstream by generating sustainable employment in the IT and BPO sector. Prime objective of Avasant was to develop a better understanding of how Impact Sourcing (IS) can be scaled with policies and incentives. Key areas of engagement include:

- Providing global best practices related to outsourcing and engaging people from the base of the pyramid in the outsourcing sector
- Support analysis of findings in terms of likelihood of policy and incentives adoption

- Identifying countries that show the most promise for policy change with a view to understanding where Impact Sourcing is most likely to scale
- Developing roadmaps for Impact Sourcing adoption detailing policy levers, incentives and global best practices that countries with outsourcing sectors can implement to promote, support and encourage IS
 - Help build the network of key Impact Sourcing stakeholders to advance the sector

The Impact Sourcing project seeks to achieve growth with equity in Africa by enabling people at the base of the pyramid to tap into employment opportunities generated by the \$119 billion global outsourcing sector.

Avasant also works with Donor agencies like Rockefeller on impact sourcing in Latin America, India, Eastern Europe and South America by

- Creating jobs for those who would not otherwise have the opportunity for sustainable employment
- Catalyzing a new sector that leverages the outsourcing sector and substantially improved ICT infrastructure in Africa & globally
- Many of these employment opportunities includes call center support, Business Process Outsourcing (BPO) centers, and Information Technology Outsourcing (ITO)
- Jobs are targeted to be located in economic development zones, low-income areas, and rural towns with the objective of driving employment and opportunities to lower income individuals

Sony Charity Golf Classic

Avasant is proud to sponsor and support 2012 “Sony Electronics Charity Golf Classic” held at the Rancho Bernardo Inn in San Diego on Monday, September 24, 2012. Avasant has been associated with the event since last three years and was represented by its senior leadership team at the 2012 event. The benefits of the 2012 Sony Charity went towards:

- **ProKids** : The mission of Pro Kids is to positively impact the lives of inner-city youth by providing programs that promote education, character development, life-skills, and values through the game of golf.
- **The Homeless Youth Outreach Project:** The goal of the Homeless Youth Outreach Project (HYOP) is to provide advocacy and legal services to homeless youth in an environment where they feel safe and secure.
- **Monarch School:** The mission of the Monarch School is to educate students impacted by homelessness and to help them develop hope for a future with the necessary skills and experiences for personal success.

World Vision International

Avasant is proud to associate with World Vision International (an international evangelical relief and development organization) in its initiative to help in relief and development of children, families and communities to overcome poverty and injustice.

World Vision projects are grouped into three primary areas

- **Short-term emergency relief**, such as providing food, shelter and medical care to victims of natural or man-made disasters;

- **Long-term sustainable community development** focusing on helping communities meet the needs its members identify, like clean water, education, health care, agricultural improvements and sanitation; and
- **Working with policymakers** and the public at the national, regional and global level to build awareness around poverty and to address the unjust systems that help perpetuate it.

Inter-American Development Bank

Avasant is proud to support initiatives by Inter- American Development Bank which stems for larger Haiti Infrastructure Program including reliable electricity, residential housing project and a water treatment plant.

Avasant supported IDB's initiatives by leveraging its Globalization Methodologies within Capacity Development & Go- To-Market domains. Called Le Parc Industriel de la Région du Nord d'Haïti (PIRN), it is intended to bring the following benefits

- Creating more than \$500M USD in salaries and benefits for ten years, with each employee earning an estimated 3-4 times the current per capita GDP in Haiti
- Eventually expanding to support 65,000 permanent jobs once the park is fully developed - and increasing employment of the Haitian apparel industry by over 200%
- Increasing the number of jobs in the private sector by at least 20%
- Creating the first textile factory in Haiti for knitting and dyeing
- Increasing the tax base by improving employment and trade flows

PRINCIPLE 6 BUSINESS SHOULD UPHOLD THE FREEDOM OF ASSOCIATION AND THE EFFECTIVE RECOGNITION OF THE RIGHT TO COLLECTIVE BARGAINING

Avasant's Commitment

Avasant views diverse suppliers as small and medium enterprises; suppliers from underrepresented or ethnic minority groups

Avasant is committed to a consistent and fair tender process and to facilities this, all potential suppliers receive:

- Request for quotation/proposal RFP/RFQ letter inviting suppliers to participate
- Intent to respond document
- Non-disclosure document.

Upon completion of these documents, suppliers wishing to tender will receive the RFQ/RFP which includes timescales and the format of responses that suppliers must adhere. All tenders provide for an opportunity to allow suppliers to respond with questions and to give an identical time period for all to respond.

Avasant's Impact

Through this process Avasant ensures that the bidding process for suppliers is fair and is done through an effective bidding process which creates a win-win situation for both suppliers and Avasant.

PRINCIPLE 7 BUSINESS SHOULD SUPPORT A PRECAUTIONARY APPROACH TO ENVIRONMENTAL CHALLENGES

PRINCIPLE 8 BUSINESS SHOULD UNDERTAKE INITIATIVES TO PROMOTE GREATER ENVIRONMENTAL RESPONSIBILITY

PRINCIPLE 9 BUSINESS SHOULD ENCOURAGE THE DEVELOPMENT AND DIFFUSION OF ENVIRONMENTALLY FRIENDLY TECHNOLOGIES

Avasant's Commitment

Although our impact on the environment is limited, we ensure that we take decisive action to mitigate any impact through our real estate, technology, employee business travel and procurement of goods and services.

Avasant's approach is to aim to establish and maintain effective and efficient environmental friendly management procedures. Avasant extends itself to comply with, and where possible, to exceed all statutory and regulatory requirements, national and international standards and industry practices. Avasant does its best to raise employee awareness of environmental issues and attempts to utilise industry best practices wherever possible. Avasant's leaders have regularly given presentations and talks in industry forums related to the importance and benefits of 'green information technology sourcing.' Avasant undertakes environment friendly initiatives and sets annual targets which it shares regularly with its employees and stakeholders.

Avasant's Initiatives

Internally:

- Increasing use of video conferencing and web-conferencing to reduce international staff travel.
- Flexi- working facilities to reduce long office commutes
- Increasing use of Recycled paper and published material in all of our global offices
- Use online record keeping as a de-facto standard instead of maintaining a paper based book-keeping and record inventory.
- Usage of double-size printing unless absolutely necessary
- Usage of email to communicate externally as well as internally. Season's greetings to clients, event invitations etc. were produced and communicated electronically

Externally:

Avasant launched green sourcing as one of the practice areas to consult its clients on environment-friendly purchase of various hardware and server components. This includes conducting significant research and analysis before selecting an outsourcing service provider or partner. Our Sourcing practice aims at:

- Identifying Green Compliance Risks in Sourcing Strategy
- Inviting providers with a green record
- Incorporating regulatory guidelines into contractual language of service provider agreements

- Assessing financial impact
- Incorporating the use of well-defined checklists of agreed environmental considerations to ensure operational compliance.

Avasant's Impact

As a result of our green initiatives, we have been able to:

- Considerably reduce the usage of paper in our day to day operations
- Reduce staff travel, both internationally and locally
- Build awareness amongst our clients and stakeholders that 'going green' makes a viable business case
- Spread awareness in the industry of the importance and advantages of green sourcing

PRINCIPLE 10 BUSINESS SHOULD WORK AGAINST CORRUPTION IN ALL ITS FORMS, INCLUDING EXTORTION AND BRIBERY

Avasant's Commitment

Avasant follows a zero tolerance policy against bribery, extortion and other corruption malpractices. We strictly follow and adhere to the Foreign Corrupt Practices Act of 1977 (FCPA) following disclosure by the Securities and Exchange Commission of the extensive practice by American businesses abroad of making payment to foreign government officials for the purpose of obtaining or retaining business. We have a centralised whistle-blowing cell that takes strict action against any reported malpractices observed by employees, stakeholders or clients or activities in deviance from those suggested by FCPA.

Avasant's Impact

Avasant is fully compliant with FCPA and there are no reported malpractices or acts of corruption in any form