

IMPACT INTERNATIONAL

COMMUNICATION ON PROGRESS 2012



COMMUNICATION ON PROGRESS 2012: **IMPACT INTERNATIONAL**



The UN Global Compact is a strategic policy initiative for businesses that are committed to aligning their operations and strategies with ten universally accepted principles in the areas of human rights, labour, environment and anti-corruption.



Human Rights

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.

Labour Standards

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.

Environment

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 diffusion of environmentally friendly technologies.

Anti-corruption

Principle 10

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

IMPACT: Who we are and What we do

Impact International is a global people development company, established in 1980 in the UK. We now operate in over 50 countries from 17 offices covering Asia Pacific, the USA and Europe. We are a proud member of the United Nations Global Compact and have won a number of awards for being a Great Place To Work, as voted for by our employees. We are committed to becoming a model of sustainable enterprise, integrating social equity and environmental sustainability into our work so as to achieve better and more profitable business results. It is our belief, born from real experience, that other commercial organisations can embrace this concept of 'doing well by doing good'.

Impact help people work more effectively together. Since 1980 we have assisted organisations with sustainable business transformation and people development. We constantly innovate and evolve our thinking and methodologies in response to the ever-changing market and global economic climate. Doing this ensures that our people remain engaged and motivated and this in turn helps us to retain our standing as a global leader in our field. Our focus is on developing inspirational leaders, building high performance teams and accelerating organisational change. These key areas provide the foundations for all of our propositions and services from engaging employees and developing talent to leveraging diversity.

We work with a variety of organisations including Barclays, BP, bwin.party, Deutsche Bank, DFID, Lend Lease, Menter Mon, Help the Aged, PepsiCo, ScottishPower, Siemens, Sony, Swiss Re, Thomson Reuters, Toyota, UBS and the Welsh Government.



INTRODUCTION FROM DAVID WILLIAMS Founder and CEO, Impact International



Impact International signed up to the UNGC in June 2005. As signatories to the Global Compact we are committed to demonstrating the progress we are making in each of the ten principles.

Key to the progression of these principles is the commitment and support from our people. In a recent survey (source: Great Places To Work Survey 2012) 94% said that '*Impact manages its Impact on the environment and society*' and 94% said that '*Impact is a great place to work*' - this was benchmarked against the UK's 50 Best Workplaces where the average was 84%.

Health and Safety remains a top priority for our business as we drive towards global consistency in all of the regions we operate. Our management of Health and Safety (under Principle 3 and 4) and the Environment (principles 7, 8 and 9) has been externally audited by Achillies in the UK.

Health and Safety 93.4%. Quality - 100%. Environment 94.45 % (up from 66.4)

These results reflect the hard work, commitment and engagement from all areas of the organisation. The improvement of the Environment is a direct result of a clear, focussed strategy which is communicated regularly and on the agenda of every Board Meeting.



INTRODUCTION FROM DAVID WILLIAMS cont. . .

As experts in behavioural change and leadership development, we continue to develop new solutions that bring together corporate organisations with the social sector to develop skills and provide long term sustainable results for all parties. Areas currently stimulating interest in the market are programmes involving CSR and Corporate Sustainability.

In 2012 more than 1000 corporate participants and 80 social sector organisations were positively engaged through our Community Action Learning programmes.

Our work with Thomson Reuters through the Generate Programme has clearly demonstrated the value of Community Action Learning for all partners. Generate was designed by Impact to develop future leaders. Most of the delivery was virtual, except for six-days spent in Mumbai, where participants worked exclusively with a social sector organisation through a Community Action Learning programme designed by Impact. Some feedback from the participants:

*96% of participants are more committed to the organisation
100% agreed it gave them the opportunity to give back meaningfully to a community*

The participants used their skills (consultancy, information systems, communications strategies) to benefit social sector organisations who fight for the Human Rights and Labour standards of people living in poverty. Feedback from one of the 15 partners:

'Their (the participants) professional abilities to understand our aim, redesign our communication tools and come up with workable strategies provided great value for our organisation'



INTRODUCTION FROM DAVID WILLIAMS cont. . .

**United Nations' International Labour Organization (ILO) estimates that close to 75 million 15 to 24-year-olds around the world are out of work.
The UK youth unemployment rate for March 2012 stood at 21.9%**

One of our key priorities in 2012 was around engaging and developing young talent. Our strategy targeted three key areas:

- Identifying and employing young talent (under 24) - 5 have been employed in the UK office
- Providing powerful, engaging and worthwhile 'work placements' for local children aged 14/15. Last year nine young people spent a week in our offices working with real teams, on real pieces of work, to give them a positive and inspiring experience of work.
- Increase the number of interns into the organisation, both in the UK and in our international offices

One of the challenges we face internally is our collective awareness and engagement in some of the activities that contribute to our own aspiration to be a model of sustainable enterprise. To address this challenge, this year we have set up a programme called 'All Together Now' which has brought all of our values-driven initiatives together under one umbrella.

The aim of the programme is to ensure that we develop, link and communicate all of our activities like 'Work Inspiration' (for school children), our internal volunteering scheme 'Learning in the Community' and our 'Environmental strategy'. A more strategic approach to managing these initiatives will ensure that we are continuing to develop and drive engagement throughout Impact globally.

As a global business we are in an environment that is complex, competitive and constantly changing. However, I believe that our business, our solutions and our people are on track and in good shape to achieve our financial, social and environmental targets in 2013.

As in previous years, our report demonstrates success and failure against our 2012 targets.

Our Report is in the public domain and can be viewed via a link on our website or on the UNGC website

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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 abuse

CONTEXT: Impact International is committed to supporting the implementation of all aspects of human rights. As a service provider, we can support these principles in two tangible and measureable ways. The former is around how we engage and educate our people in this area and the latter is about providing innovative approaches to engage and influence across our clients and supply chain. As an international organisation we recognise that there are differences in accepted practices with regard to standards in safe working environments, child protection and other aspects of human rights, however we consistently seek to develop best practice across all regions and work to the highest standards rather than just local legal minimums.

2012 Target: For Impact Beyond to focus on working in cross-sector partnerships on specific projects. We believe this is a more effective way for Impact to leverage our expertise whilst using other organisations' sector specific knowledge and relationships to deliver lasting leadership development.

Progress:

Developed a leadership development programme for Help Age International – an international development organisation. This will be delivered in 2013.

Continued to support our partners Wasafiri Consulting- through providing individual coaching, and strategic support

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2012 Target: To work with NAVCA to help create a Leadership Programme to address the needs of their national UK members and the creation of a cross-sector leadership programme for the Humanitarian Sector working with a number of UN Agencies.

Progress: In 2 years of planning and dialogue, the Leadership Development programme has been designed in collaboration with NAVCA. The first programme will be delivered in February 2013. Co-facilitated by Impact and NAVCA. The participants are Chief Executives who represent a variety of social sector agencies in the UK.

We have been unable to move forward with the cross-sector Leadership Programme for UN Agencies. This is still an area we would like to support and we continue to pursue this with key individuals.

2012 Target: To uphold 70% engagement in our internal 'Learning in the Community' (LiTC) initiative in the UK

Progress: Coaching Head Teachers, gym coaching in schools, providing business facilitation and supporting the 'Impact Kids Holiday' are some of the ways our employees engage with our community partners. Each employee is expected to provide skills and support in their local community for a minimum of 3 paid days each year.

In the UK a total of 165.5 LiTC days were achieved out of a potential 243 days. This is down on our 169 days achieved in 2011. Our target was to uphold 70% engagement: in 2011 73% of our UK employees engaged in the initiative and in 2012 this fell to 68%.

From a Benchmarking point of view (based on discussions with Business in The Community) 68% is a much higher percentage of employee engagement than the UK national average, however, it is still below our 2012 target.

We have already put a plan in place to address the decline in LiTC engagement by initiating a new project. 'All Together Now' is a project that aims to bring new energy, commitment, ideas and support to help people to engage in this important part of our strategy in becoming a model of a sustainable enterprise.

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2012 Target: To actively seek more opportunities to work with our clients around their CSR strategies and increase the use of Community Action Learning (CAL) as a central methodology for our work. Community Action Learning is a methodology we use to develop people and organisations. Next year we will report on the use of Community Action Learning from all Global Offices.

Progress: There are 3 categories of this methodology:

Consultancy based projects - providing professional skills to support a community partner (eg. Strategic planning)

Engagement style projects - working directly with the beneficiaries from the organisation (eg. dialogue based sessions)

Practical 'hands on' style projects – providing resources such as people to get a job done (eg. Rebuilding a fence/bench)

The chart opposite provides an overview of our CAL programmes globally.

Country	Participants	Community Partners (CP)	Type of project
Europe	650 106	29 18	Engagement Consultan c y
US	586 42	13 2	Engagement Consultan c y
Asia	311 51	9 6	Engagement Consultan c y

A few key themes:

- The delivery of consultancy style projects in India (5 in 2012, 15 since 2010) have mostly been with social sector organisations tackling the Human Rights and Labour Standards for people living in poverty
- In Australia we have worked with the same community partners over a 3 year period providing ongoing sustainable support for a small community in Mossman, Far North Queensland
- In Poland we designed and delivered our first Consultancy style programme and as a direct result of the engagement the two organisations involved have entered a formal agreement to continue to work together
- In the US there is increase in the delivery of 'engagement style' programmes.
- In the UK our 'Learnopoly' project (supporting the UK curriculum around numeracy and literacy) has been delivered to more than 800 primary school children in London and the North West of England

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We believe this type of methodology can provide a powerful platform to exchange ideas, challenge assumptions and create shared value. Building open, honest and mutually beneficial relationships with our partners is absolutely key to the success of any engagement. In the UK we have 2 people who support and maintain our community partner relationships.

Other progress beyond targets

- Last year Impact supported the 'Laureus Sport for Good Foundation' by providing consultants to help deliver a three day conference. The Foundation supports organisations around the world that provide education via sport for young people. These projects tackle a variety of areas including education, health, child rights and HIV Aids. The Impact consultants facilitated workshop sessions and provided coaching for a number of participants. Impact and the Laureus Sport for Good Foundation are currently exploring mutually beneficial ways to continue their relationship.
- Impact Beyond has facilitated strategic Board level retreats for a number of specialist agencies working within the Humanitarian and International Development sector. These events supported the organisations involved to resolve various issues effecting organisational performance, clarify strategic direction and integrate new board members.
- An International group of Impact employees spent a day learning about The Ellen MacArthur Foundation and their model on the Circular Economy. This led to some really interesting discussions around how we could support the Foundation moving forward. This session really helped to educate, inspire and engage our employees into thinking about the Circular Economy Model and how this approach might help some of our clients re-think and re-design their systems. We are currently exploring some potential opportunities to support each other.
- Our work with Thomson Reuters on the Generate Programme which included a week working with social sector organisations in Mumbai, India has won external recognition at the UK Training Awards. Impact International and Thomson Reuters received the '[Gold Award for Technology in Learning](#)'.

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TARGETS FOR 2013

Our central purpose through 2013 in respect of our commitment to the UN Global Charter will be to influence our clients and our supply chain with regards to their practices. To this end our specific targets in the realm of Human Rights are;

- To measure and report on the progress of 'All Together Now'. Our UK based initiative that aims to bring all our values driven initiatives under one umbrella
- To merge our two specialist consultancies – the Relief & Development Group and Impact Beyond into a single entity and create a clarified offering that will allow Impact to more effectively serve the not-for-profit sector.
- To develop at least 2 new relationships with not-for-profit organisations (in addition to continuing to work with existing clients and partners).
- To identify a global project that engages people from a variety of our global offices through our 'Learning in the Community' Initiative.
- To revisit work delivered for five social sector organisations in 2010 (who are tackling Human Rights issues in India) and review the value (if any) that our Community Action Learning programmes have provided to the longer term development of their organisations. We will share key learnings from this research project.

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Principle 3

Business 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.

CONTEXT: Impact International recognise that our key asset is our people. Consequently Impact is committed to adhering to, and going beyond, all legal requirements to provide fair, flexible and appropriately remunerated employment to all our directly employed and freelance contract staff.

Key labour related issues for Impact are providing a safe and healthy work environment, flexible working structures (both in terms of available contracts for staff and day to day working practices) and providing transparent remuneration and appropriate benefits for contract staff. Impact employ a large number of 'contract' or 'freelance' staff across our global offices. Because of their freelance status such staff often have the least access to representation and forms of collective bargaining.

2012 Target: In 2012 we will proactively engage the business in aligning individual contributions with our strategic priorities and goals. We will do this through regular dialogue forums, functional and cross-functional offsites and learning workshops. We will also create a communal kitchen and meeting area where people can come together for lunch and social events.

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Progress: A new kitchen and meeting area has been created which has provided a social area for meetings, lunch and work related sessions. Each Friday we provide a hot lunch in the meeting space and there are regular Friday slots. The aim of these sessions is to share new methods of learning or client case studies, debate new business strategies and bring external speakers to educate and inspire. According to the Great Places to work survey 'Camaraderie and Workplace Culture' score was at 94% which demonstrates the value created by creating this space and providing opportunities to share and learn.

2012 Target: We will share the results from the 'Great Places to Work' survey. This is conducted by an external organisation and asks employees to answer questions around how the fairness, credibility and openness of the organisation helps in being a Great Place to Work.

Progress: We are delighted to be a Great Place to Work in the UK. We have taken part in the 'Great Places to Work' survey for the past seven years. Our average score for credibility, respect, fairness, pride and camaraderie in 2012 was 91%.

Other relevant scores include:

Diversity and Equality – 92%

Wellbeing / life balance – 89%

Empowerment and recognition – 91%

Significant progress has been made in our Training and Development offering:

We launched our internal global programme 'Four Seasons'. Each quarter a new topic is highlighted, eg Leadership. Webinar based learning opportunities can be shared globally to update, inform and share best practice thus upskilling our employees by providing ideas and skills to develop capability and understanding.

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The 2nd Cohort of the 'Future Leaders' started in November 2012. This programme brings together a group of international employees on a 12 month multi modular experience. It is delivered in China, Europe and the US.

2012 Target: We will develop a strategy for recruiting, inducting, developing and retaining our associate team globally and we will run at least one selection event with a view to finding more diverse associates to work for us.

Progress: We delivered one associate event in the south of the UK where we have a number of associate facilitators. The overall purpose of this event is to keep them engaged with our business and feeling part of the organisation. In line with our target we also held one selection event to identify new associates. An additional person joined the staffing team who is responsible for the creation and implementation of the global associate strategy.

2012 Target: To publish safety policies, risk assessments and codes of practice across all our global offices and implement all relevant recommendations on a global basis.

Progress: Our Global Safety Manager has audited several countries and provided clear guidance on what needs to be done to improve Safety and Quality. We have identified a 'Champion' to drive safety in the ASPAC region and we are in the process of collating reports from other countries which will clarify their current position.

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Other progress above targets

- A new Safety Training Policy for associate staff - we are still in the process of implementing the policy, as this will require some financial investment and development work. When this is achieved, the aim is for the system to be used by other countries for their induction. This policy is on our website and in the public domain.
- Duty of Care – we have conducted a number of discussions internally and with our external insurers around Duty of Care for participants on our programmes. We have now completed this task and updated our advice which is available on our safety website. We have also presented this to all relevant staff during the year. In 2012, we delivered 47 sessions of training to over 260 attendees.
- Accident statistics - our accident statistics for Impact UK down again for our participants, but up for staff. The number of delegate accidents is down from 9 to 7 from 2011. But, we had more Impact staff accidents this year – up 0 to 3 from 2011
- Our total accidents went up one from 9 to 10 from 2011
- Safety and Quality - we have delivered 8 safety induction sessions and observed 17 work activity sessions
- We have kept up to date with UK safety legislation changes this year
- RIDDOR guidance has changed and this has been reflected in our policy and training
- Three new defibrillators have been purchased and approximately 30 additional people have been through Defibrillator Training in the UK

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TARGETS FOR 2013

- The success of the 'Future Leaders' programme and 'Four Seasons' can be measured through the 2013 Great Places to Work Survey. We will share the 2012 and 2013 results from the 'Learning and Development' section of the survey
- Create an event for long term associates. This is to ensure they are updated on new policies, Health and Safety approaches and to provide opportunities to keep them connected to the business
- Engage a more diverse and international associate team by creating up a selection event aimed at international associates
- We need to ensure that all associates regardless of their location take part in and understand our core policies such as safety inductions and our Duty of Care policy. We will report on the numbers of people who have attended these events
- We need to improve upon our Safety Management systems and deliver a strategy that communicates the progress made in all regions. We have identified 'Champions' in each region and will report on the progress made in those regions

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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 diffusion of environmentally friendly technologies.

CONTEXT: Like all businesses Impact faces considerable environmental challenges. As a service sector, as opposed to manufacturing, extraction or agricultural business, our key challenges are around resource use in our programmes, office energy efficiency and transport.

- ✓ 91% of our employees believe that we are working to reduce our environmental impact. (source: Great Place to Work Awards Survey 2011)

2012 Target: A reduction of carbon emissions resulting from energy use of 30% by 2015 (from 2009 levels) with an intermediate target of 15% by 2012

Progress: We have achieved a 17.5% decrease in carbon emissions from 2009 levels by the end of 2012. This decrease includes an additional office in London which was not included in the 2009 figures. Our reduction would have been greater if we had decided not to include this additional working area. The reduction has primarily been achieved through implementing more energy efficient procedures in all areas. We will achieve the additional reduction through the continued use of renewable electricity sources, replacement of coal with wood from our own woodland and further investment in insulation and energy efficient practices.

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2012 Target: To implement a pilot commuter minibus and car pooling scheme by the end of 2012

Progress: During the summer a pilot scheme to utilise the fleet minibuses for staff commuting was initiated. However, due to many staff working away and irregular hours the service would not be used enough to justify its implementation. Members of staff who could car pool were identified, with the result that 50% of staff car share at least once a week.

2012 Target: Increase internal communication on environmental issues through regular conversation to increase employee engagement and ownership of environmental projects

Progress: We continue to raise the profile of the Environment Policy within Impact. In 2012 we implemented an initiative designed to link with other responsible areas of the business such as employee volunteering and charitable work. As a result we have had more external speakers, employee workshops and regular updates regarding environmental issues.

2012 Target: To further qualify Impact's ethical environmental decisions and develop a system that assists our supply chain to embed these practices and policies

Progress: Impact has developed an ethical and environmental suppliers policy will be publicly available on our website, the scope of which is in line with the 10 principles of the UN Global Compact. We will make this available for all suppliers to review and comment upon. We aim to help any of our suppliers to improve their business practices if necessary.

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2012 Target: To communicate an alternative fuels strategy by the end of 2012 including the feasibility of using wood as fuel

Progress: We have appointed an Estate Manager with specific responsibility for the development of the woodland areas. In 2012 this included the development of a woodland management plan in conjunction with Cumbria Woodlands, eradication of invasive and non-native species, bat surveys and the further development of wood fuel for the hotel fireplaces. Woodland that is suitable for coppicing is currently under management. A new target has been set

2012 Target: To develop and communicate a water use strategy and reduce consumption by 5% by the end of 2012.

Progress: New strategy includes:

- Information for staff on how we can save water. Posters and signs will be put up where appropriate
- Change our behaviour:
 - Wait until you have a full load before switching on the dishwasher or washing machine.
 - Using your toilet as a bin wastes flushes - think before you flush
 - When you boil water in kettles, use the minimum amount of water - that way, you'll save energy as well as water.
 - We will be buying big tea pots to reduce the number of boils we have to do
- Rain water collection through the installation of water butts to harvest rainwater for use in gardens, flower pots etc
- Toilets are already dual flush (and therefore water efficient) but we can get 50 'save-a-flush' devices free from United Utilities for those that aren't

2012 Target: To apply for an Environment Award to recognise that we are demonstrating best practice in terms of our commitment to the environment.

Progress: Impact International LLP has achieved the highest recognition level for our Environmental Management System by Cumbria Business Environment Network. The Gold Award criteria are in line with ISO 14001 standards.

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Other progress beyond targets

- Learning In The Community: All Impact employees are expected to complete a minimum of three days working in the local community on a project of their choosing. In 2012 the environmental projects that were chosen included: Ellen MacArthur Foundation, National Trust, supporting a lake clean for Friends of the Lake District and facilitating a stakeholder workshop for Cumbria Woodlands
- Impact is an active member of a number of environmental organisations both local and global. In 2012 our support continued for:

Local: Adventure and Environmental Awareness Group, Lake District National Park Authority - Carbon Landscapes project, Cumbria Tourism - Sustainable Tourism Forum, Cumbria Woodlands – chair person.

National: The Prince's May Day Network, Business in the Community, the Ellen MacArthur Foundation

Global: UN Global Compact

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TARGETS FOR 2013

- A reduction of carbon emissions resulting from energy use of 30% by 2015 (from 2009 levels) with an intermediate target of 15% by 2012
- Develop a clear travelling policy that states which form of transport should be used for which purpose with the aim of reduction in overall travel and greater use of low carbon methods
- Work with at least one of our suppliers to help them deliver their services or products in a more environmentally sound method
- Work with Friends of the Lake District on the 'Debris Dive'. Providing admin support, boat drivers, canoeists. Divers will be taking out rubbish and debris out of Lake Windermere, this will be cleaned and made into art work by children. Raising awareness of rubbish and the damage it causes to our natural environment.
- Expand the environmental policy team through the identification of key individuals within the business with the aim of shared responsibility for environmental performance
- Maintain an award for the Impact International LLP Environment Management System

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Principle 10

Business should work against corruption in all its forms, including extortion and bribery.

CONTEXT

Impact firmly believes that all businesses should work against corruption. We have strong internal policies communicated to all staff (through our staff handbook) about expectations for professional and ethical behaviour.

2012 Target: To include a policy in our handbook that we work against anti-corruption in all its forms.

Progress: The anti-bribery and gifts policy has been completed. It is in our staff handbook and shared with all new employees during their Induction programme

TARGETS FOR 2013

- To include a link to our policy in all formal Tender documents with new and existing clients and ask that is included on our suppliers database.



Communication on Progress

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