



COMMUNICATION ON PROGRESS (COP)

LANDELL CONSULTING

9 / 190 Queen Street
Melbourne, Victoria, Australia 3000
22 February 2013

INTRODUCTORY REPORTING INFORMATION

Name of the Organisation	Landell Consulting					
Country	Australia					
Joining Date	12 December 2009					
Organisation Type	Small company					
Sector	Primarily government					
Website	www.landell.com.au					
GRI Reporting Level	C <input checked="" type="checkbox"/>	C+ <input type="checkbox"/>	B: <input type="checkbox"/>	B+ <input type="checkbox"/>	A <input type="checkbox"/>	A+: <input type="checkbox"/>
Reporting Period	February 2012 – January 2013					
Date of most recent previous report	12 February 2012					
Reporting cycle	Annual					
External Assurance	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No				
Contact	Caroline Gordon					
Position Title	Principal, Government and Corporate Social Responsibility					
E-mail	info@landell.com.au					
Contact number	+61 3 9011 8440					

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OPEN LETTER OF SUPPORT FROM LANDELL'S MANAGING DIRECTOR

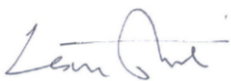
It gives me great pleasure to present Landell Consulting's *Communication on Progress* for 2013, which:

- represents Landell's commitment to the 10 principles of the Global Compact;
- reflects upon Landell's progress in implementing its 2012 Global Compact initiatives;
- provides Landell with the opportunity to outline its 2013 corporate social responsibility (CSR) objectives; and
- ensures that Landell is accountable for its actions and responsibilities to its stakeholders and the wider community.

Landell's CSR strategy includes the following initiatives undertaken in 2012:

- Landell worked on an international aid program for a Commonwealth Government agency;
- Landell began developing a monitoring and reporting tool for social procurement in association with the University of Melbourne;
- Landell's CSR Unit disseminated the *Social Procurement Toolkit* for the Victorian Department of Planning and Community Development which Landell developed *pro bono* for local councils:
<http://www.dpcd.vic.gov.au/localgovernment/social-procurement/social-procurement-toolkit-introduction>;
- Landell assisted a not-for-profit organisation, which supports and encourages the establishment of commercially viable social enterprises throughout Australia, to develop a strategic plan by which to extend social procurement initiatives to other local governments;
- Landell Training's package includes units on CSR and social procurement;
- Landell has undertaken a number of assignments under its *pro bono* arm, including the provision of advice and services to the Peter MacCallum Cancer Hospital and the Royal Victorian Eye and Ear Hospital;
- Landell has maintained its membership of the United Nations' Global Compact Network Australia (UNGCNA), which will further support Landell's incorporation of the 10 Compact Principles into its business strategy; and
- Landell has employed a number of international students and has participated in a Government employment program aimed at newly-arrived migrants to assist them in developing work skills to enable them to readily find employment in the Australian marketplace.

As Landell's CSR strategy has expanded, so too have the benefits to Landell of our membership of the Global Compact, which include an increase in the positive social effects of our operations on our value chain, the enhanced ability to identify corporate risks and opportunities, continuous organisational performance improvement and an enhancement of stakeholder relations, including the provision of significant learnings to stakeholders through collaboration.



Lexton Gebert
Managing Director

1. LANDELL'S MEMBERSHIP OF THE UNITED NATIONS GLOBAL COMPACT

On 27 November 2008, the Managing Director of Landell Consulting, Lexton Gebert, wrote to the Honourable Ban Ki-moon, Secretary-General of the United Nations seeking membership of the Global Compact.

On 12 December 2008, the Global Compact Office officially informed Landell that it had become a member of the Global Compact.

2. LANDELL'S ORGANISATIONAL PROFILE

2.1. Organisational Name

Landell Corporation Pty Ltd trades as Landell Consulting.

2.2. Services Provided

Founded in 1999, Landell Consulting is a management consultancy specialising in government procurement, probity, risk management, project management, CSR, social procurement, and training.

In 2008, Landell Consulting extended its operations to include a CSR Unit, managed by a Principal of the organisation.

In 2011, Landell established:

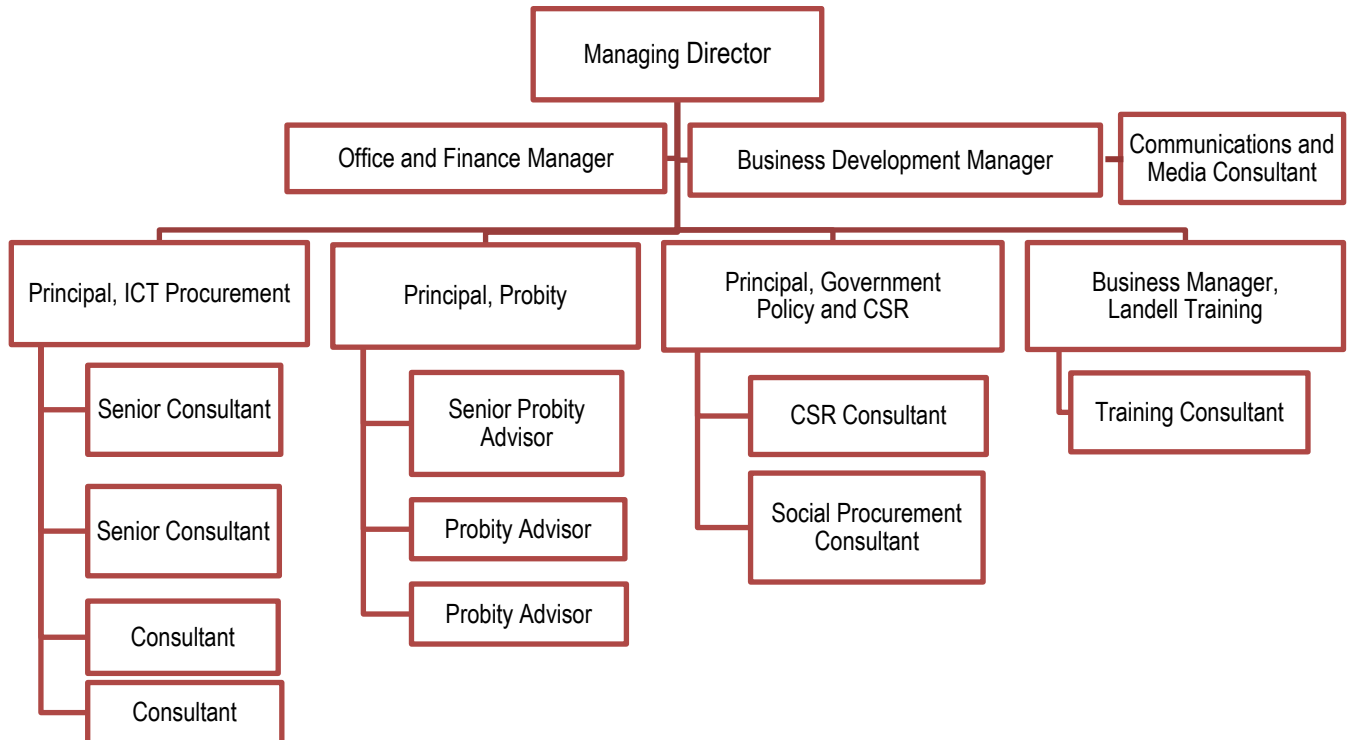
- Landell Training, a registered training organisation (RTO); and
- a *pro bono* arm of the CSR Unit.

Landell's diverse government client base includes many Commonwealth, State and local government departments and agencies, exemplified by its membership of the following government probity and procurement panels.

COMMONWEALTH	
• External Procurement Advisors Panel	• Department of Immigration and Citizenship Panel
VICTORIA	
• Victoria Police Panel	• Business Services Panel Agreement
• Department of Treasury & Finance Panel	• eServices Panel
• Department of Treasury & Finance Panel	• Commercial and Financial Advisory Services
• Department of Premier & Cabinet - Victorian Public Records Office	• Long Term Service Agreement - Victorian Electronic Record Strategy Implementation Strategy
NEW SOUTH WALES (NSW)	
• NSW Government	• NSW Procurement Pre-Qualified Supplier List

2.3. Landell's Organisational Structure / Scale of the Organisation

Landell has a committed team of highly experienced consultants working across the organisation's four business lines. Landell's organisational structure is represented in summary format diagrammatically below.



2.4. Location of the Organisation's Headquarters

Landell Consulting is based in Melbourne, Victoria, Australia.

2.5. Number of countries where the organisation operates

Landell Consulting currently only operates in Australia.

2.6. Nature of Ownership and Legal Form

Landell Corporation Pty Ltd, which trades as Landell Consulting, is a private company.

2.7. Markets Served by the Organisation

Landell Consulting primarily undertakes projects for local government, the Victorian Government, the NSW Government, and the Commonwealth Government, but has undertaken several projects for the private sector.

2.8. Report Boundaries, including Clients, Supply Chain and Stakeholders

This report extends beyond the internal operations of Landell Consulting to its suppliers and clients.

3. LANDELL'S 2012 CSR INITIATIVES

3.1. Work on an International Aid Program

Landell worked on an international aid program for a Commonwealth Government agency.

3.2. Partnership with the University of Melbourne

Landell has identified a key issue in social procurement processes in the public sector, namely the difficulty in monitoring, measuring, evaluating, and reporting the social benefits generated by social procurement projects.

In 2012, Landell engaged in a partnership with the University of Melbourne (UoM) in July 2012. Five high-achieving students in the third-year subject called "MGMT30012 Business Consulting" were sponsored by Landell to complete a consulting project to provide recommendations for the development of an evaluation and reporting tool for social procurement. Landell provided weekly guidance and assistance to the student team to complete the project within a 10-week timeframe.

This project was successfully completed in early November 2012, in the form of a 10,000-word report. Landell plans to use the findings and recommendations as a guide to develop the evaluation and reporting tool. The UoM team received very high marks and an opportunity of "real world" work experience in a consultancy doing *pro bono* work.

3.3. Development of an Evaluation and Reporting Tool for Social Procurement

Landell is currently developing *pro bono* an evaluation and reporting tool for social procurement. Landell has interviewed numerous stakeholders in academia and the private and public sectors to identify key issues that the tool should address.

It is expected that this tool will encourage the involvement of numerous organisations to undertake social procurement projects, as it captures the social value generated from these projects.

3.4. Development of Social Procurement Videos

Landell is developing two social procurement information videos *pro bono* with Paul Rodgers (of paulrodgers.pro), who is an internationally-recognised procurement specialist. The first video will be an entry-level guide to social procurement. The second video guide will be tailored for social procurement practitioners.

The videos should be completed in the first half of 2013.

3.5. Membership of the United Nations' Global Compact Network Australia

Landell is a member of the United Nations' Global Compact Network Australia (UNGCNA). The aim of the UNGCNA is to facilitate and co-ordinate knowledge exchange, providing value-added services to members as well as providing a meeting point where organisations can develop best practice around CSR. As a result, it is expected that this will further support Landell in incorporating the 10 Compact Principles into its business strategy and initiatives, and enhance its involvement in the Human Rights Working Group.

3.6. Membership of the UNGCNA Human Rights Working Group for Business

Landell is a member of the UNGCNA Human Rights Working Group for Business.

3.7. Internships for International Students

In 2012, Landell continued its internship program, funding paid internships to two international students, one from China and one from Brazil, to provide them with work experience in Australia.

3.8. Participation in the 2012 Melbourne UNGCNA Anti-Corruption Forum

Two employees from Landell participated in the 2012 United Nations' Global Compact Network Australia (UNGCNA) Anti-Corruption Leadership Group for the Business Melbourne Forum.

The Forum provided Landell with:

- assistance in developing anti-corruption initiatives;
- an insight into anti-corruption case studies;
- a snapshot of the compliance requirements and attendant legal implications; and
- shared experiences from industry and business stakeholders.

3.9. Participation in the 2012 Social Enterprise Expo and SoFA Forum

Three Landell employees participated in the 2012 Social Enterprise Expo and Social Firms Australia (SoFA) forum, which was jointly organised by the Melbourne City Council, Social Traders and Social Firms Australia, to present the most recent information regarding social enterprises and social procurement.

The *Social Procurement Toolkit*, developed *pro bono* by Landell's CSR Principal, was introduced during a presentation to the SoFA audience.

3.10. Partnership with AIESEC (Melbourne University)

Landell and the Association Internationale des Étudiants en Sciences Économiques et Commerciales (at the University of Melbourne), the world's largest youth-run organisation, engaged in a partnership in which Landell provided a one-year work placement to a Canadian graduate, who undertook the role of Project Support Officer (PSO) to assist in the development of her youth leadership skills and provide her with relevant experience and skills in Australia.

The PSO was involved in:

- assisting with the leadership of Landell's ISO 9001 Readiness Project, with the aim of significantly reforming and improving the office management systems, ultimately leading to ISO 9001 accreditation;
- various office management functions in consultation with the Office and Finance Manager; and
- assisting Landell Principals with a number of projects.

3.11. Work Placement for Newly-Arrived Immigrants

In September 2012, Landell engaged a newly-arrived immigrant from Iran, who was studying at the North Melbourne Institute of Technical and Further Education (TAFE). The aim of this engagement was to engage this recently-arrived person with relevant work experience in Australia.

3.12. Landell's Internal CSR Initiatives

Landell has maintained and improved upon its internal CSR initiatives, all of which have been documented in Section 4.2 below.

4. LANDELL'S REVIEW OF 2012 INITIATIVES

4.1. Key Performance Indicator Measurement Code

Below is the code key for performance assessment.

Target Achieved <ul style="list-style-type: none">• 2012 project successful in its aims. Project complete, or ongoing with continuing systems.
Target On Track for Success <ul style="list-style-type: none">• Project has not yet had sufficient time for completion, but remains on track for success
Target Steady <ul style="list-style-type: none">• Shortcomings in core/non-core areas. Project may still be successfully implemented with effort, but a revision of targets is recommended.
Target Not Assessed <ul style="list-style-type: none">• Insufficient time for project results to be known, or limited data available. No results are yet determinable.
Unacceptable Progress <ul style="list-style-type: none">• Target has not yet been successful and appears manageable only with major effort.
Target Failure <ul style="list-style-type: none">• Target has not been successfully met, and has little or no prospect of successful attainment.

4.2. Landell's Review of its 2012 CSR Initiatives

LABOUR			
Initiative	Performance Indicator Measurement	Performance Results in 2012	Performance Results in 2011
Human Resources (incl. Equitable Employment Policies)	<ul style="list-style-type: none"> Total training hours per employee per annum hours Gender profile: <ul style="list-style-type: none"> Employee/sub-contractor gender profile % male / % female Managerial gender profile % male / % female Total number of incidents of discrimination/actions taken against Landell number Total number of incidents of violations involving rights of indigenous people and actions taken number Total number of substantiated complaints regarding breaches of customer privacy and losses of customer data number Total number of incidents of non-compliance with regulations and voluntary codes concerning health and safety impacts number Annual Landell staff turnover rate: % Full-time employees receiving the following benefits sick leave; recreation leave; carer's leave; bereavement leave; and study leave % 	<p>Training</p> <ul style="list-style-type: none"> Employees have been offered training hours in relevant areas, including training for maintaining a legal practising certificate. Landell operates a graduate mentoring program, an internship program and an overseas graduate program. <p>Gender Profile of Landell</p> <ul style="list-style-type: none"> Managerial: 50% male (2) and 50% female (2) Employee/sub-contractors: 55% male / 45% female <p>Incidents</p> <ul style="list-style-type: none"> Total number of incidents of discrimination and actions taken against Landell in 2012: 0 Total number of incidents of violations involving rights of indigenous people and actions taken in 2012: 0 Total number of substantiated complaints regarding breaches of customer privacy and losses of customer data in 2012: 0 Total number of incidents of non-compliance with regulations and voluntary codes concerning health and safety impacts in 2012: 0 <p>Resources</p> <ul style="list-style-type: none"> The Staff Induction Manual has been updated and is accessible to all staff via the intranet. The Manual outlines Landell's policies (including ICT policies), principles, organisational structure, quality management system, and the staff's rights, obligations and responsibilities. An Intern Induction Manual has also been developed. <p>Employment Conditions</p> <ul style="list-style-type: none"> 2012 Landell staff turnover rate: 9% Full-time employees who received the following benefits sick leave; recreation leave; career's leave, bereavement leave and study leave: 100% 	<p>Training</p> <ul style="list-style-type: none"> Employees have been offered training hours in relevant areas, including training for maintaining a legal practicing certificate and our graduate mentoring program for our graduate recruit. Employees who have not yet elected to undertake their training allowance continue to have the option of doing so. <p>Gender Profile of Landell</p> <ul style="list-style-type: none"> Managerial: 50% male (2) and 50% female (2) Employee/subcontractors – 50% male and 50% female <p>Incidents</p> <ul style="list-style-type: none"> Total number of incidents of discrimination and actions taken against Landell in 2011 0 Total number of incidents of violations involving rights of indigenous people and actions taken in 2011 0 Total number of substantiated complaints regarding breaches of customer privacy and losses of customer data in 2011 0 Total number of incidents of non-compliance with regulations and voluntary codes concerning health and safety impacts in 2011 0 <p>Employment Conditions</p> <ul style="list-style-type: none"> Annual Landell staff turnover rate for 2011 10% All full-time employees received the following benefits sick leave; recreation leave; carer's leave; bereavement leave; and study leave 100%
Code of Conduct	<ul style="list-style-type: none"> Code breaches investigated & remediated 	<ul style="list-style-type: none"> Code breaches 0 	<ul style="list-style-type: none"> Code breaches: 0

HUMAN RIGHTS			
Initiative	Performance Indicator Measurement	Performance Measurement Results in 2012	Performance Measurement Results in 2011
Commitment to Human Rights	<ul style="list-style-type: none"> • Involvement in United Nations' Global Compact Network Australia's Human Rights Working Group for Business • Involvement in UNGCNA as a member • Number of operations with a child labour risk • Availability of human rights statement to staff 	<ul style="list-style-type: none"> • Landell maintained its membership of the United Nations' Global Compact Network Australia • Landell maintained its membership of the United Nations' Global Compact Network Australia's Human Rights Working Group for Business • Based on Landell's internal Human Resources Framework, and the use of the Maplecroft <i>Child Labour Index</i> where relevant, Landell had 0 operations with a child labour risk • Landell's human rights statement was made available to all staff via Landell's intranet 	<ul style="list-style-type: none"> • Landell is a member of the United Nations' Global Compact Network Australia's Human Rights Working Group for Business • Landell has assisted Human Rights Working Group in reviewing a survey to be sent to its members and provided <i>pro bono</i> advice • Based on Landell's internal Human Resources Framework, and the use of the Maplecroft <i>Child Labour Index</i> where relevant, Landell had 0 operations with a child labour risk • Landell's human rights statement was made available to all staff via Landell's intranet

ENVIRONMENT			
Initiative	Performance Indicator Measurement	Performance Measurement Results in 2012 (change from 2011)	Performance Measurement Result in 2011
Reduction of Landell's environmental footprint	<ul style="list-style-type: none"> Reduction in paper use from 2011 % Reduction in electricity use from 2011 % Reduction in water use from 2011 % Staff working from home % Use of Gmail, Google+ and Go-To-Meeting (to preclude unnecessary travel by employees) increase from 2011 	<ul style="list-style-type: none"> % reduction in paper use 4.5% % reduction in electricity use 5.0% % reduction in water use 3.5% Employees routinely turn off lights, and natural light is used wherever possible to minimise electricity usage Landell participates annually in EarthHour. Insufficient usage material could be obtained from the building manager to effectively monitor Landell's electricity and water use, and as a consequence, it was not possible to monitor a reduction in CO₂ emissions. Staff working (at least part-time) from home 80% Use of Gmail, Google+ and Go-To-Meeting (an online meeting tool) to preclude unnecessary travel by employees 20% 	<ul style="list-style-type: none"> % reduction in paper use 10% from 2010 Landell uses EMAS Europa (EU Eco-Management and Audit Scheme) endorsed recycled paper and maintains a contract with Tree House Recycling for paper disposal and recycling % reduction in electricity use 10% from 2010 % reduction in water use 10% from 2010 Employees routinely turn off lights, and natural light is used wherever possible to minimise electricity usage Landell participates annually in EarthHour Insufficient usage material could be obtained from the building manager to effectively monitor Landell's electricity and water use, and as a consequence, it was not possible to monitor a reduction in CO₂ emissions Staff working (at least part-time) from home 70% Use of Gmail (to preclude unnecessary travel by employees) 20% increase from 2010 In addition to our online instant messaging facilities for Landell staff and contractors, Landell uses virtual meetings to minimise travel. Landell primarily relied on Gmail video and audio chatting in 2011, and employees were provided with training and support on the use of our new systems. All new employees receive training and systems support as part of their induction training

ANTI-CORRUPTION			
Initiative	Performance Indicator Measurement	Performance Measurement Results in 2012	Performance Measurement Result in 2011
Landell's Anti-Corruption Initiatives	<ul style="list-style-type: none"> Increased individual and corporate awareness of anti-corruptions measures 	<ul style="list-style-type: none"> Landell participated in the UNGCNA anti-corruption forum held in Melbourne on 07/11/12 Landell staff have engaged in corporate anti-corruption discussions The Landell Code of Conduct, which incorporates key Global Compact principles including anti-corruption requirements, is made available to employees through Landell's intranet 	<ul style="list-style-type: none"> Landell has developed a Code of Conduct, which incorporates key Global Compact principles including anti-corruption requirements. The Landell Code of Conduct provides for the confidential reporting of conduct breaches to senior management

CORPORATE SOCIAL RESPONSIBILITY			
Initiative	Performance Indicator Measurement	Performance Measurement Results in 2012	Performance Measurement Result in 2011
CSR Training	<ul style="list-style-type: none"> Provision of CSR and social procurement training for government officers 	<ul style="list-style-type: none"> Landell has developed <i>pro bono training</i> courses in CSR and social procurement 	<ul style="list-style-type: none"> Landell was contracted to act as a broker for the provision of expert advice on social procurement to eight local governments in Victoria.
International aid	<ul style="list-style-type: none"> Involvement in international aid services 	<ul style="list-style-type: none"> Landell worked on an international procurement program for a Commonwealth Government aid agency 	<ul style="list-style-type: none"> As an adjunct to this project, Landell's CSR Unit developed <i>pro bono</i> a Social Procurement Toolkit for the Victorian Department of Planning and Community Development. The Toolkit can be found at http://www.dpcd.vic.gov.au/localgovernment/local-government-reform/procurement/social-procurement/social-procurement-toolkit-introduction Landell established Landell Training, a registered training organisation. Landell developed training materials and tools which include corporate social responsibility and sustainability policies and procedures.

Table 1: Landell's 2012 CSR Performance

5. LANDELL'S 2013 CSR INITIATIVES

Landell's 2013 CSR initiatives include, but are not limited to:

- completion and dissemination of the social procurement monitoring, evaluation and monitoring tool;
- development of two social procurement videos;
- development of the *Social Procurement Package*;
- collaboration work with expert organisations in the social procurement field, such as Social Traders and paulrogers.pro to implement social procurement projects;
- continued *pro bono* work for the not-for-profit and charitable sector, including the Peter MacCallum Cancer Hospital;
- CSR and social procurement training;
- continued support for the UNGCNA; and
- continued environmental and social sustainability initiatives within Landell.

6. COMMUNICATION OF THE COP

Given that Landell is a small, private company, which does not produce an annual report, Landell's COP will be published on its website at: <http://www.landell.com.au>, to enable the company's stakeholders and clients to view Landell's progress in implementing its CSR strategy.