

GLOBAL COMPACT - COMMUNICATION ON PROGRESS

29TH AUGUST 2012 TO 29TH AUGUST 2013

STATEMENT OF CONTINUED SUPPORT BY THE CHIEF EXECUTIVE OFFICER

15th July 2013

To our stakeholders,

I am pleased to confirm that twentyfifty Ltd reaffirms its support for, and commitment to the Ten Principles of the United Nations Global Compact (UNGC) in the areas of Human Rights, Labour, Environment and Anti-Corruption.

In this, our first 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 are a small company, but one whose professional services are focused on helping large multinationals adhere to the principles of the UN Global Compact, especially those principles related to human rights and labour standards.

We also commit to share this information with our stakeholders through our website and the Global Compact. We are committed to continuously improving our sustainability performance and look forward to any feedback of our stakeholders on this report.

Sincerely yours

A handwritten signature in black ink, appearing to read 'Luke Wilde'.

Luke Wilde
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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

Policy and Goals

Since 2004, we have worked with leading multinational corporations to embed respect for human rights into their global operations. The arrival of the UN Guiding Principles on Business and Human Rights (UN Guiding Principles) has reinforced and given new impetus to much of our client work. Where we are not retained on a 'human rights' project we seek nevertheless to incorporate human rights into our practice. We provide support in raising awareness, engaging internal and external stakeholders, program strategy and organisational change, understanding and assessing impacts, training, policy development and implementation.

As a professional services firm, we aim to:

- Develop practical, implementable approaches to the UN Guiding Principles on Business and Human Rights that deliver business benefits for our clients, and provide organisational change support which enables these approaches to be implemented across global businesses,
- Encourage larger numbers of businesses, especially in the emerging markets, to implement the human rights principles of the Global Compact and the UN Guiding Principles,
- We manage our own business with respect to human rights, paying especial attention to the safety of our staff and their well-being, and our business relationships

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In the year ahead our plans are to:

- Develop explicit human rights-based selection criteria and evaluation practices for our own business relationships including; suppliers, partner consultancies and facility providers,
- Work with our funding partners to take our engagement approach for Local Global Compact Networks to new countries, especially in the emerging markets,
- Establish our first office outside of Europe providing our consulting services to emerging market multinationals.

Implementation

- We have contributed to activities of the UN Global Compact Networks in Ukraine (December 2012) and India (March 2013, CEO Human Rights Forum) to support them in engaging companies in emerging markets.
- We have delivered coaching programmes to business members of UN Global Compact Networks in the UK (15 participants, July 2013) and Germany (7 participants from Swiss, German and Austrian networks, April 2013), and continued to support the human rights peer learning network – a group of companies committed to implementing the

UN Guiding Principles - hosted by the UNGC Network Germany.

- With the German Global Compact Network we published the Organisational Capacity Assessment Instrument (OCAI) which provides a simple evaluation of corporate capacity to implement the UN Guiding Principles. This tool is available in English and German as an online tool and PDF file (www.globalcompact.de/tools/ocai). It is being translated into Arabic, Chinese, French, Portuguese, Russian and Spanish by the Business and Human Rights Resource Centre.

In the last year, we have provided training to members of the Ukraine, India, UK, Germany, Switzerland and Austria Global Compact Networks

- The travel company Kuoni published a report of its pilot human rights impact assessment in Kenya. This impact assessment, supported by twentyfifty, has a number of innovative features and has been strongly acknowledged by multiple stakeholders as a valuable contribution to the development of the practice of human rights impact assessment. **For the full report see here.**
- In partnership with the German Global Compact Network and the German Institute for Human Rights, twentyfifty published the business guide 'Menschenrechte Achten' (respect human rights), **see here**. It is currently being translated into English.
- We participate in and support the work of the UN Global Compact Human Rights Working Group, and the UNICEF advisory group on Child Rights and Business Principles and continued our outreach to business leaders through the Criticaleye network and leading a 'human rights week' on Business Fights Poverty.

Measurement of Outcomes

In the reporting period no violations of the above-mentioned principles have been detected by our management's due diligence activities or reported through our employee grievance channels. We and our clients have received numerous acknowledgements for our work, in particular the translation of the OCAI, the Kuoni impact assessment and 'Menschenrechte Achten'. Below is some of the feedback received from participants at our training courses this year:

- "Excellent, would thoroughly recommend course to other participants"
- "UNGP unpacked, practical solutions, interesting case studies"
- "Gave me brain space to think strategically about next steps - internal engagement roadmap"

“

(the course gave me) sound overview of Human Rights issues, how these apply to business, how one would start the conversation around implementing Human Rights into group policies

- "(the course provided me with) lots of fruit for thought about full implications of adopting GP's. Good to have concentrated time to focus on HR's"

- "(The course provided me with) A clearer understanding of human rights in relation to my area of business, through a practical review of the different steps and areas to consider and the outline of a project plan for implementation."
- "(the course gave me) sound overview of Human Rights issues, how these apply to business, how one would start the conversation around implementing Human Rights into group policies."

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.

Policy and Goals

While labour practices in supply chains continue to receive considerable attention, we also notice that the Arab Spring and social uprisings elsewhere have brought changed expectations amongst workforces and a growing preparedness to challenge the practices of their employers. To this end, a number of leading multinationals have been challenged by Unions and civil society to improve their practices in emerging markets, and address abuses within contracted workforces. In the coming year we intend to supplement our capacity to support our clients to ensure local practices meet international expectations and the labour principles of the UN Global Compact.

In addition to working with our clients, we seek to make sure our own practices are exemplary. Though we are a small business, we are growing and taking care to put good labour practices into place:

- We seek to operate in a participatory style and give each employee a voice in major decisions which affect the business.
- We are committed to diversity in the workforce and already have a range of flexible work arrangement to meet individual needs (e.g. to balance work and family life).
- We are committed to supporting our people in their professional and personal development, and provide access to training, coaching and other forms of support as required to be able to reach their aspirations.
- Our director conducts regular individual talks with each employee which also serve to understand their needs and expectations towards the business and ultimately improve their satisfaction and the working conditions
- We do not use unpaid labour, paying our interns and negotiating fair contracts with our associates.
- We have clear grievance channels and procedures and employees may approach either the director or the chairman with any issues arising.

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Implementation

In supporting the Global Compact labour principles this year we have:

- Moderated a panel for the German Global Compact Network on freedom of association and collective bargaining (March 2013),
- Supported our client, Mondelez International, in developing and launching the Cocoa Life program which is an industry-leading commitment to cocoa sustainability and incorporates principles 4, 5 & 6,

- Supported another client to develop a risk-based approach to assessing labour practices of contractors.

Within twentyfifty we have:

- Introduced a bonus system in which company profits are shared with all employees,
- Developed a company contributory pension scheme for UK based employees,
- Enhanced our capacity by having consultant Madeleine Koalick complete the SA8000 Introduction and basic auditor training course
- Enhanced our whole team's skills in facilitating systemic change and dialogue through with the assistance of Dialogue Associates.

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In the year ahead our plans are to:

- Add further capacity to our team to support clients in addressing labour practices within their own facilities,
- Ensure that pension arrangements in Germany are commensurate with those in the UK.

Measurement of Outcomes

In the reporting period no violations of the above-mentioned principles have been detected by our management's due diligence activities or reported through our employee grievance channels.

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 diffusion of environmentally friendly technologies

Policy and Goals

twentyfifty is committed to minimising its impact on the environment wherever possible.

Our biggest impact is the travel we undertake. Wherever possible we make use of public transport, and we make extensive use of teleconferencing and webinars to reduce the travel required (e.g. between the UK and German business, in our client work) but in a global business flying is inevitable. In this coming year we intend to join a scheme to offset the carbon emissions of the flights taken by the business.

We are also moving to new office premises. The offices chosen are a new build project where the developer has taken special attention to environmental responsibility:

- Brown field site,
- All materials from demolition were recycled,
- New building will be super-insulated way above regulations,
- Low energy lighting throughout,
- Installation of solar panels,
- Each individual unit thermostatically controlled negating need for air conditioning,
- Provision of video conferencing facility to reduce occupants carbon footprint,
- Provision of bike racks and showers to encourage environmentally friendly journey to work.



New office premises currently under construction

Implementation

twentyfifty's actions to promote environmental responsibility and reduce impact include:

- Recycling of materials/products including paper, packaging and batteries,
- Printed materials, reports and correspondence minimized,
- Recycled stationary and office products,
- Use of train over car/flight for business appointments as much as possible,
- Sustainable methods of transport to work such as walking and cycling,
- Economical cars.

Measurement of Outcomes

In the coming 12 months we will be looking an effective way to record, measure and incentivise improvements in our environmental performance.

ANTI-CORRUPTION PRINCIPLES

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

Policy and Goals

twentyfifty Ltd prides itself on its transparent, ethical, open and honest business practices. We believe that business must include honesty in all of our dealings, which includes speaking plainly and not using language that will mislead or confuse people that we are interacting with.

twentyfifty complies with the UK Bribery and Anti-corruption Act ("the Act") and any other relevant laws in the jurisdictions it operates in. twentyfifty does not tolerate any forms of bribery and corruption within its own operations and by its associates and clients. We have a policy on Bribery and Corruption which is available on our website.

Implementation

This year has seen several staff visit high risk areas. Alongside the Bribery and Corruption Policy twentyfifty has:

- Ensured our people are properly briefed on the customs and particulars of the area,
- Ensured that staff feel comfortable with all aspects of personal security,
- Found an external company who can provide individual security briefing/training as necessary

In the next year we plan to introduce a gift and hospitality register.

Measurement of Outcomes

Our staff have reported no incidents of being asked for a bribe this year.