

H.E. Ban Ki-moon  
Secretary-General  
United Nations  
New York, NY 10017  
USA

13 September 2013

Dear Mr Secretary-General,

I am the founder and CEO of Small Giants, a private investment house that invests in, creates, supports and nurtures businesses, which have a positive social and environmental impact.

On behalf of Small Giants, I am pleased to express our continued support for the Global Compact and renew our ongoing commitment to the ten principles in the four issue areas of human rights, labour, environment and anti-corruption.

Small Giants was established to invest in businesses that are moving us to a fairer, more equitable, more sustainable world, and as such, our purpose aligns deeply with the principles of the Global Compact. In addition, set out below, is a sample of practical actions undertaken by Small Giants and its family of businesses, which advance the Global Compact principles across the four issue areas. These practical actions have been achieved in the following areas of our business operations: strategy and internal governance, transparency, employee and stakeholder relationships, community engagement and social and environmental impact.

Over the past twelve months, we have endeavoured to advance the principles of the Global Compact by taking the following practical actions:

- Refinement of Policies which apply across all business units at Small Giants:
  - Environmental Policy;
  - Equal Opportunity Policy;
  - Anti-discrimination Policy; and

- Social Procurement Policy
- Establishment of a new business within our portfolio that provides wholesale investors with impact investment opportunities using the same investment approach we use in house at Small Giants. The 'Impact Investment Group' (IIG) ([www.impact-group.com.au](http://www.impact-group.com.au)) invests private capital to deliver financial returns alongside social and environmental change.
- Sponsorship and hosting of a women's networking and leadership event for International Women's Day.
- Spearheading (financial and administrative support) the establishment and incorporation of B Lab Australia & New Zealand (**B Lab ANZ**), the non-profit entity behind B Corporations in Australia and New Zealand.
- Ongoing support of a local NGO's human rights campaign which raises awareness about Australia's policy towards refugees or 'asylum seekers'.
- Ongoing support of a number of NGOs through our philanthropy program across a variety of sectors including water and sanitation, human rights and education.
- Presentation by staff members at various public conferences and events about the importance of impact investment and social business.
- Continued and ongoing transparency in financial reporting and internal governance and strategy to all co-investors, advisors, business units and staff. Most recent annual financial review in August 2013.

### **Measurement of outcomes**

As mentioned above, Small Giants was established in order to create a positive social and environmental impact. We measure our success in a number of ways:

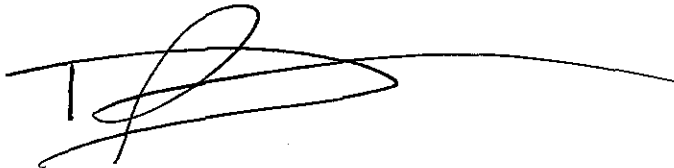
- At the individual portfolio company level: We regularly use the following questions about our portfolio companies: Are they beacons of social and environmental responsibility? Are they creating products and services that improve the world? We ensure a positive answer to these questions through B Corporation accreditation assessment. This year, we influenced all companies within our portfolio in which we have a significant interest to certify as B Corporations and each year we will encourage these companies to remain certified and, wherever possible, increase their impact score.
- Our contribution to the ecosystem: We contribute to an ecosystem where other businesses who operate according to similar responsibility and impact principles can

thrive. Our major contribution this year has been through the establishment, continued funding and support of B Lab ANZ, mentioned above.

- By measuring the increase in capital flow: Through the new portfolio company, IIG, mentioned above, we are increasing the amount of capital which is shifting towards assets, initiatives and companies that have positive social and environmental impact.

I would also like to take this opportunity to express our renewed support for the broader development goals of the United Nations, particularly the Millennium Development Goals.

Yours sincerely,

A handwritten signature in black ink, appearing to be 'D. Almagor', with a long horizontal line extending to the right.

**Danny Almagor**

**CEO  
Small Giants**