

Communication on Progress 2012/13

"I am pleased to confirm that Pay it Forward Limited 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 our second annual Communication on Progress, we describe our actions to integrate the Global Compact and its principles into our business strategy, culture and daily operations. We are also committed to share this information with our stakeholders using our primary channels of communication."

Yours sincerely,

Vickie Lea

Managing Director

Pay it Forward Limited, United Kingdom, COP for 2012/13

Principle 1: Businesses should support and respect the protection of international proclaimed human rights

Our Commitment or Policy

Pay it Forward's operations are in the United Kingdom and comply with the protection offered by legislation in the UK.

We support and respect the protection of internationally proclaimed human rights.

Our Directors ensure that we protect the human rights of our employees through establishing and implementing various policies that support our company values.

Actions implemented in the last year / planned for this year

Pay it Forward's goal is to influence that our employees and all our business partners respect the Universal Declaration of Human Rights and Environmental Protection. Based on our commitment we have set up a code of conduct, to make our position clear for all our suppliers, employees and partners. Our Code of Conduct complies with the ISO 26000 standards and other international conventions.

Measurable results or outcomes

Compliance and Training

Principle 2: Businesses should ensure that they are not complicit in human rights abuses

Our Commitment or Policy

Pay it Forward will evaluate all partners and suppliers against a set of defined principles, policies and guidelines. Any contravention of human rights will be documented and the responsible partner will be put on probation and given a timeframe to address and resolve the issue. Continued non-compliance will result in the partner relationship being terminated.

Actions implemented in the last year / planned for this year

Our suppliers have been monitored to ensure they are complying with the Ethical Trading Initiative Base Code. We will continue to use the code as a guide to ensuring the acceptable level of acceptable practice.

Measurable results or outcomes

No issues to report

Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining

Our Commitment or Policy

Our company handbook covers policies concerning our employee rights and compensation and responsibilities. We assess labor related risks. We have a dedicated resource that monitors and mandates environmental and safety risks. We will continue to refine our employee handbook as needed and incorporate the Global Compact.

Actions implemented in the last year / planned for this year

We ensure our employees are well informed on the progress of the business and we encourage involvement in the processes and development wherever we can.

Measurable results or outcomes

Our employees are happier and are passionate about the company they work for and employee satisfaction is at our company goal of 80% (or higher).

Principle 4: Businesses should support the elimination of all forms of forced and compulsory labour

Our Commitment or Policy

All our staff have contracts of employment when they join our company which comply with the relevant legislation in regards to pay, hours and holidays. These contracts are agreed by the new employee before they commence with the company.

We are committed to encouraging a good work/life balance for all our employees and working in excess of the contracted hours is highly discouraged.

Actions implemented in the last year / planned for this year

We are encouraging our employees to suggest ways which we could make their working environment better – for example, having more flexible hours to spend more time with family or children.

Measurable results or outcomes

Some of our staff have taken advantage of these flexible working conditions.

Principle 5: Business should support the effect abolition of child labour

Our Commitment or Policy

We are committed to supporting the abolition of child labour – our policy is universally applied independent of local laws. We ensure all our employees are above the compulsory school age and identification is required prior to employment to confirm their age.

Actions implemented in the last year / planned for this year

We are continuing to audit our suppliers to ensure they are not supporting the practices of child labour.

Measurable results or outcomes

No issues have been identified

Principle 6: Business should support the elimination of discrimination in respect of employment and occupation

Our Commitment or Policy

We are committed to ensuring that job applicants and employees receive equality of opportunity. The aim of this policy is to ensure that no applicant or employee receives less favourable treatment on the grounds of

race, colour, nationality, ethnic or national origins, sex or marital status, disability, or is disadvantaged by conditions or requirements which cannot be shown to be justifiable or be subjected to any form of bullying, harassment or hostile treatment.

Actions implemented in the last year / planned for this year

We are encouraging employees with families, children or special needs (all levels in the company) to take advantage of flexible working arrangements so they can better live their lives as well as progress other life aspirations.

Measurable results or outcomes

Our staff are happier and less stressed and have better health as they can manage their work/life balance more effectively.

Principle 7: Business should support a precautionary approach to environmental challenges

Our Commitment or Policy

We are committed to training our staff in regards to greater environmental responsibility and we ask for feedback on how we can better support this initiative. We communicate this to our suppliers and continually evaluate our performance.

Actions implemented in the last year / planned for this year

Our environmental management team is evaluating environmental aspects though out the business.

Measurable results or outcomes

On-going successful evaluation of our environmental management.

Principle 8: Business should undertake initiatives to promote greater environmental responsibility

Our Commitment or Policy

Our company has an Environmental Management System that is accredited to the ISO14001 standard. As part of this we review our Aspects and impacts on the environment and take action that is necessary to reduce our environmental impacts.

Actions implemented in the last year / planned for this year

We have educated our staff to use less water and to be diligent when turning off lights and electricity. Electrical products have been fitted with standby switches and staff have been encouraged not to print documents if it's not necessary. Recyclable products are used where possible and recycle bins are easily accessible.

Measurable results or outcomes

Measurable less paper, electricity and water usage – increase in recycling and awareness.

Principle 9: Business should encourage the development and diffusion of environmentally friendly technologies

Our Commitment or Policy

Our company encourages the development and use of environmentally friendly technologies. We seek to use more environmentally friendly products at all times.

Actions implemented in the last year / planned for this year

We have encouraged staff to be environmentally aware in every facet of the business.

Measurable results or outcomes

Positive staff involvement and awareness.

Principle 10: Business should work against corruption in all its forms, including extortion and bribery**Our Commitment or Policy**

Our company is committed to work against corruption in all its forms including extortion and bribery. We invest in training and development to assist our staff to be more educated in this regard and comply with the ethical code of practice.

Actions implemented in the last year / planned for this year

We will continue to audit our suppliers to ensure they are ethically trading and not involved in any unethical practices.

Measurable results or outcomes

Awareness and evaluation measures in place to prevent corruption.

How do you intend to make this COP available to your stakeholders?

Our COP will be accessible to our staff, customers and suppliers, and the general public on the Global Compact website.

Our annual Responsible Business Report will indicate our commitment to the UN Global Compact.

We will publicise our membership of the Global Compact and encourage others to join and review our COP on the website.

