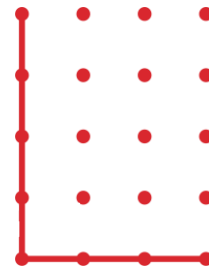


Landell

YOUR CONNECTION
TO BETTER OUTCOMES



LANDELL'S 2014 COMMUNICATION ON PROGRESS

Author Caroline Gordon / Elaine Mou
Date 15/02/2014

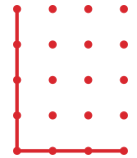


Landell

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Commercial in confidence

landell.com.au



Introductory Reporting Information

Name of the Organisation	Landell					
Country	Australia					
Joining Date	12 December 2009					
Organisation Type	Small company					
Sector	Primarily government					
Website	http://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 2013 – January 2014					
Previous Reporting Date	12 February 2013					
Reporting cycle	Annual					
External Assurance	<input type="checkbox"/> Yes			<input checked="" type="checkbox"/> No		
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Position Title	Principal, Government Policy and Social Procurement					
E-mail	info@landell.com.au					
Contact Number	+61 3 9011 8440					

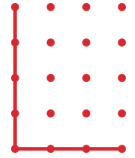


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OPEN LETTER OF SUPPORT FROM LANDELL'S MANAGING DIRECTOR

It gives me great pleasure to present Landell's *Communication on Progress* for 2014, which:

- represents Landell's commitment to the 10 principles of the Global Compact;
- reflects upon Landell's progress in implementing its 2013 Global Compact initiatives;
- provides Landell with the opportunity to outline its 2014 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 2013:

- Landell released its *Social Procurement Toolkit for the Public Sector*.
- Landell updated its social procurement toolkit for local councils, developed *pro bono* by Landell in 2011;
- Landell undertook original research *pro bono* in the form of a survey of all Victorian public hospitals, in order to establish the hospitals' baseline understanding and implementation of social procurement. As a result of the findings, Landell:
 - developed the *Social Procurement Guide for the Hospital Sector*; and
 - presented a summary of the results of the research to the 3rd National Health Procurement Conference.
- Landell undertook a presentation of social procurement at a local government symposium with Social Traders.
- In October 2013, Landell became a founding member of Social Procurement Australia (SPA), which further cements Landell's leading position in social procurement.
- Landell developed and launched the Values of Government and Procurement (VGAP) Accreditation Scheme to help professionals uphold and support the values of the Victorian Public Sector. The VGAP accreditation scheme is designed to equip professionals with an understanding of Victorian Government values, policies and practices so they can make good commercial and ethical decisions when involved in procurement and service delivery activities.
- Landell appears to have succeeded in having social procurement included on the 2014 agenda of Global Compact Network Australia.
- Landell developed *Disability Action Plan 2013-16* (DAP) aiming to eliminate, as far as possible, discrimination in its employment and operational policies.

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, 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.

2.2 Services Provided

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

In 2008, Landell extended its operations to include a Corporate Social Responsibility 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 - Commonwealth Department of Immigration and Citizenship Panel

Victorian

- 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 Treasury & Finance Panel - Probity Practitioner Services Panel
- Australian Public Service Commission - Business Services Panel



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.

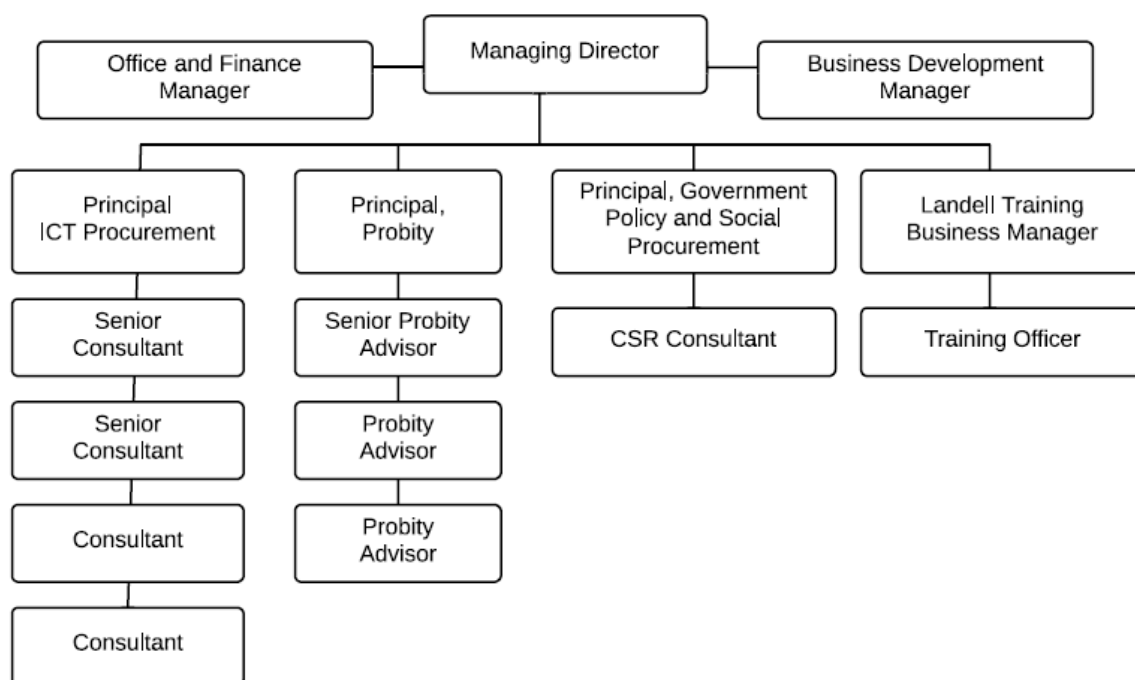


Figure 1: Landell's Organisational Chart

2.4 Location of the Organisation's Headquarters

Landell is based in Melbourne, Victoria, Australia.

2.5 Number of countries where the organisation operates

Landell currently only operates in Australia.

2.6 Nature of Ownership and Legal Form

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

2.7 Markets Served by the Organisation

Landell primarily undertakes projects for the Victorian Government, local Government, the not-for-profit sector and the Commonwealth Government, and 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 to its suppliers and clients.



3 LANDELL'S 2013 CSR INITIATIVES

3.1 Development of Social Procurement Toolkit

Landell has released two toolkits

- *Social Procurement Toolkit for the Public Sector*; and
- *Social Procurement Toolkit for Victorian Councils* (updated).

The toolkits include useful templates, case studies and guides to implementing social procurement policies and initiatives in business organisation.

The Social Procurement Toolkit for the Public Sector is divided into five key stages:

- Section 1. Rationale for Social Procurement
- Section 2. Planning for Social Procurement
- Section 3. Documentation for Social Procurement
- Section 4. Implementation of Social Procurement Projects
- Section 5. Evaluation of Social Procurement Projects

3.2 Research into Social Procurement in Victorian Public Sector

In 2013, Landell, in partnership with the eSourcing Group, conducted *pro bono* research to provide valuable insight into the use of social procurement within the Victorian hospital sector.

3.3 Development of the *Social Procurement Guide for the Hospital Sector*

In 2013, Landell developed *pro bono* the *Social Procurement Guide for the Hospital Sector* to provide hospital procurement officers and sustainability officers with straightforward, high-level practical guidance for incorporating social procurement into hospital purchases.

3.4 Presentation at the 3rd National Hospital Procurement Conference

In July 2013, Landell presented a summary of the results of the research into social procurement in the Victorian public hospital sector at the 3rd National Health Procurement Conference held in Melbourne.

Landell's *Social Procurement Guide for the Hospital Sector* was also released at the Conference.

3.5 Presentation at Local Government Symposium with Social Traders

Landell undertook a presentation on social procurement at a local government symposium in July 2014.

3.6 Membership of Social Procurement Australasia (SPA)

In October 2013, Landell became a founding member of Social Procurement Australia (SPA), for which Landell provides an in-kind investment, including the development of social procurement publications for the SPA website.

SPA is committed to the advancement of social procurement in Australia and the region. SPA's work focuses on raising awareness of social procurement and then linking interested people to the information and resources needed to socially procure.



SPA provides Landell with the privilege of:

- a seat at the thought leaders table; and
- the opportunity to influence the agenda and be a change agent.

3.7 Values of Government and Procurement (VGAP)

In December 2013, Landell launched “Values of Government and Procurement” (VGAP), which is an accreditation scheme designed to equip professionals with an understanding of Victorian Government values, policies and practices to enable them to make good commercial and ethical decisions when involved in procurement and service delivery activities. The VGAP accreditation scheme aims to provide professionals with the knowledge and skills to work effectively in the Victorian Public Sector, including providing assurance to the government and to the community that the use of taxpayer funds is prudent and ethical.

3.8 Pro Bono Work for UN Global Compact

On 27 November 2013, at the United Nations’ Global Compact Network Australia’s (UNGCA) annual general meeting, Landell’s proposal to include social procurement into the Global Compact’s 2014 agenda was approved by the Chairperson of the Global Compact and supported by other UNGCA members.

3.9 Disability Action Plan

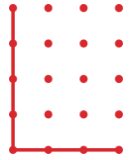
Landell developed *Disability Action Plan 2013-16* (DAP) aiming to eliminate, as far as possible, discrimination in its employment and operational policies.

Landell’s DAP:

- provides programs and career paths for Landell staff that are flexible, tailored to individual needs and culturally responsive; and
- ensures that our employees with a disability have the same rights and responsibilities as any other staff members, including the formers’ right to:
 - respect for their human worth and dignity as individuals;
 - work in an environment free from abuse, neglect or exploitation;
 - realise their individual capacity for physical, social, emotional and intellectual development; and
 - access information and communicate in a manner appropriate to their communication and cultural needs.

The framework of Landell’s DAP aims to:

- uphold the rights of people with a disability;
- remove and prevent organisational and attitudinal barriers to participation;
- build a welcoming corporate community;
- provide individuals with choice and control over their supports and services; and
- enable people with a disability, their families and carers to receive the right mix of employment services, opportunities and support.

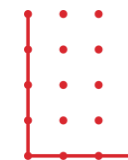


4 LANDELL'S REVIEW OF 2013 INITIATIVES

4.1 Key Performance Indicator Measurement Code

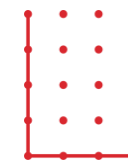
Below is the code key for performance assessment.

Target Exceeded
<ul style="list-style-type: none"> New or innovative initiative
Target Achieved
<ul style="list-style-type: none"> 2013 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.

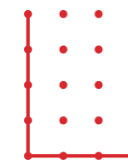


4.2 Landell's Review of its 2013 CSR Initiatives

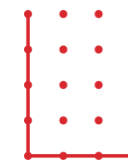
LABOUR			
Initiative	Performance Indicator Measurement	Performance Results in 2013	Performance Results in 2012
Human Resources (incl. Equitable Employment Policies)	<ul style="list-style-type: none"> Total training hours per employee per annum 40 hours Gender profile: <ul style="list-style-type: none"> Employee/sub-contractor gender profile 50% male / 50% female Managerial gender profile 50% male / 50% female Total number of incidents of discrimination and actions taken against Landell 0 Total number of incidents of violations involving rights of indigenous people and actions taken 0 Total number of substantiated complaints regarding breaches of customer privacy and losses of customer data 0 Total number of incidents of non-compliance with regulations and voluntary codes concerning health and safety impacts 0 Annual Landell turnover rate: 10% Full-time employees receiving the following benefits sick leave; recreation leave; carer'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 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: 60% male/40% female <p>Incidents</p> <ul style="list-style-type: none"> Total number of incidents of discrimination and actions taken against Landell in 2013: 0 Total number of incidents of violations involving rights of indigenous people and actions taken in 2013: 0 Total number of substantiated complaints regarding breaches of customer privacy and losses of customer data in 2013: 0 Total number of incidents of non-compliance with regulations and voluntary codes concerning health and safety impacts in 2013: 0 <p>Resources</p> <p>Landell is working towards securing ISO accreditation (ISO 9001) for Quality Management Systems (QMS), which involves the development of efficient operational systems</p> <p>Employment Conditions</p> <p>2013 Landell staff turnover: 10%</p> <ul style="list-style-type: none"> 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 practising certificate and our graduate mentoring program for our graduate recruits. 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 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>Employment Conditions</p> <ul style="list-style-type: none"> Annual Landell turnover rate for 2012 - 9% 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: 0 	<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 2013	Performance Measurement Results in 2012
Commitment to Human Rights	<ul style="list-style-type: none"> Membership of UNGCNA 	<ul style="list-style-type: none"> Landell developed its <i>Disability Action Plan 2013-16 (DAP)</i>, which aims to eliminate discrimination in its employment and operations. Landell's DAP aims to: <ul style="list-style-type: none"> uphold the rights of people with a disability; remove and prevent organisational and attitudinal barriers to participation; build a welcoming corporate community; provide individuals with choice and control over their supports and services; and enable people with a disability, their families and carers to receive the right mix of employment services, opportunities and support. Landell's <i>Disability Action Plan</i> has been made available to all staff via Landell's intranet. 	<ul style="list-style-type: none"> N/A
		<ul style="list-style-type: none"> Landell is a member of the United Nations' Global Compact Network Australia. 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. 	<ul style="list-style-type: none"> Landell's membership of the United Nations Global Compact Network Australia 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.

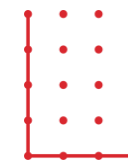


ENVIRONMENT			
Initiative	Performance Indicator Measurement	Performance Measurement Results in 2013	Performance Measurement Result in 2012
Reduction of Landell's Environmental Footprint	<ul style="list-style-type: none"> 5% reduction in CO₂ emissions from 2012; 5% reduction in electricity use from 2012; 5% reduction in water use from 2012; 5% reduction in paper use from 2012; Staff working from home 30%; and 10% Use of Gmail, Google+ and Go-To-Meeting (to preclude unnecessary travel by employees) increase from 2012 	<ul style="list-style-type: none"> % reduction in paper use 5.5% from 2012 % reduction in electricity use 4.5% from 2012 % reduction in water use 6% from 2012 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, Google+ and Go-To-Meeting(an online meeting tool)to preclude unnecessary travel by employees 20% increase from 2012. 	<ul style="list-style-type: none"> % reduction in paper use 10% from 2012 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 2012 % reduction in water use 10% from 2012 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 from home 70% Use of Gmail (to preclude unnecessary travel by employees) 20% increase from 2012 <p>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 2012, 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.</p>



ANTI-CORRUPTION

Initiative	Performance Indicator Measurement	Performance Measurement Results in 2013	Performance Measurement Result in 2012
"Values of Government and Procurement" (VGAP)	N/A	<ul style="list-style-type: none"> In December 2013, Landell launched "Values of Government and Procurement" (VGAP), which is an accreditation scheme designed to equip professionals with an understanding of Victorian Government values, policies and practices to enable them to make good commercial and ethical decisions when involved in procurement and service delivery activities. The VGAP scheme is aimed at providing professionals with the knowledge and skills to work effectively in the Victorian Public Sector, including providing assurance to the government and to the community that the use of taxpayer funds is prudent and ethical. 	<ul style="list-style-type: none"> N/A
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 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 2013	Performance Measurement Result in 2012
Toolkits	<ul style="list-style-type: none"> Landell to implement a social procurement initiative 	<ul style="list-style-type: none"> Landell has released two toolkits designed for the Public Sector and Victorian Councils. 	<ul style="list-style-type: none"> Landell has developed <i>pro bono training</i> courses in CSR and social procurement Landell worked on an international procurement program for a Commonwealth Government aid agency
Pro Bono Initiative	<ul style="list-style-type: none"> Landell to Implement a pro bono CSR initiative 	<ul style="list-style-type: none"> Landell undertook a presentation at a local government symposium with Social Traders Landell: <ul style="list-style-type: none"> presented at the 3rd National Health Procurement Conference in July 2013; undertook original research by surveying public sector hospitals; and developed <i>pro bono</i> the <i>Social Procurement Guide for the Hospital Sector</i>. Landell assisted GCNA to develop its social procurement item for its 2014 agenda. 	



5 LANDELL'S 2014 CSR INITIATIVES

Landell's 2014 CSR initiatives include, but are not limited to:

- provision of social procurement advice to government agencies;
- VGAP training to government officers;
- continued *pro bono* work for the not-for-profit and charitable sector;
- provision of support to 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.