



COMMUNICATION ON PROGRESS 2015

Dalberg Global Development Advisors (“Dalberg” or “we”) has been a member of the United Nations Global Compact (“UNGC” or “The Global Compact”) since 2007 and endorses the 10 universally accepted principles of the Global Compact in the areas of human rights, labor, environment and anti-corruption.

Our commitment to the Global Compact’s principles is exemplified most strongly through our client engagements, publications and internal initiatives including:

- **Partnership with United Nations Compact:** Dalberg has worked with the UNGC on a variety of engagements over the past 11 years. Our 2013 report, “Architects of a Better World,” laid out a framework for the UNGC to engage the private sector in supporting the post-2015 development agenda. Previously, Dalberg has supported the UNGC by helping it identify and establish transformational partnerships between the United Nations and businesses and identify best practices for such cooperation. We have also authored several reports for the UNGC.
- **Promotion of human rights:** We helped our clients – most notably a large private foundation and the Responsible Jewelry Council – to mobilize humanitarian aid efforts, advocate for human rights and protect vulnerable populations.
- **Labor:** We offer social benefits at levels exceeding/comparable to other leading professional services firms in their respective countries of operation. Additionally, we refreshed our anti-harassment policies in 2014.
- **Environmental sustainability:** We worked with a broad range of actors to develop environmentally friendly solutions. These included: Google, UNEP, the World Wildlife Fund, the Climate Group, and the World Bank.
- **Anti-corruption and promotion of good governance:** We fought corruption by strengthening good governance within United Nations agencies, corporate CSR efforts, and citizen engagement, providing all with robust frameworks that ensure transparency.

As a firm dedicated to addressing the world’s most pressing challenges, the principles mainstreamed by the Global Compact are the same guiding Dalberg’s development efforts and internal policies. Going forward, we will continue to promote the principles and the UNGC in our communications, but more importantly, through our international development activities.

Paul Callan, Global Operating Partner
28 May 2015

Firm Description

Dalberg Global Development Advisors is a strategy and policy advisory firm exclusively dedicated to global development and innovation. Established in 2001, our mission is to mobilize effective responses to the world's most pressing issues and to raise living standards in developing countries. We strive to achieve social impact by creating value for our clients.

Our core advisory services include: (i) developing innovative strategies, approaches and market mechanisms; (ii) reforming internal organizational processes and structures; (iii) analyzing global markets and developing market-entry strategies; and (iv) coordinating and facilitating large, multi-stakeholder initiatives. We focus on 14 key sectors:

- **Access to Finance** – Improving access to finance in underserved and emerging markets by connecting investors and capital providers to private and social entrepreneurs
- **Agriculture & Food Security** – Helping organizations identify, design and implement solutions that benefit agricultural market participants and increase food security
- **Cities & Urban Development** – Working with cities to set purposeful goals, diagnose obstacles, collaborate through global networks and partnerships, experiment with potential solutions, and continuously adapt to change
- **Conflict, Human Rights & Humanitarian Aid** – Helping organizations to effectively address the unique development challenges faced by conflict-affected and post-conflict countries
- **Education & Employment** – Expanding global access to high-quality education and employment at all levels by understanding market needs and effective approaches to learning, strengthening public systems and facilitating public-private partnerships
- **Energy & Environment** – Working with public and private sector organizations to transform markets, make sound supply-side choices, access financing, enhance energy access, or develop strategies to address key environmental risks
- **Gender Empowerment** – Developing strategies and designing programs that enable organizations to leverage resources toward greater gender equity
- **Global Health** – Identifying, designing and implementing solutions that improve health across the globe
- **ICT & Mobile for Development** – Harnessing the power of information and communication technologies to foster innovation, improve quality, expand access and drive accountability
- **Impact Assessment** – Helping foundations, NGOs and corporations measure the effectiveness of their development interventions
- **Inclusive Business** – Enabling corporations to utilize Base of the Pyramid communities as either consumers or contributors along the value chain
- **Inclusive Growth** – Helping countries and regions develop programs and agendas that lead to economic growth beneficial to and inclusive of all people and businesses
- **Strategy & Performance** – Helping governments and leading development organizations have a greater impact on the lives of people they serve through better strategies and more effective organizations

- **Water & Sanitation-** Improving private sector-based and sustainable approaches in rural water supply, sanitation, and hygiene products

Dalberg has a global footprint. Dalberg has a network of 14 offices located in Abu Dhabi, Copenhagen, Dakar, Geneva, Johannesburg, Lagos, London, Mumbai, Nairobi, New Delhi, New York, San Francisco, Singapore and Washington, D.C. We serve clients across Africa, Asia, North and South America, the Middle East, and Europe and have fielded teams on the ground to provide global-local perspectives in more than 90 countries.

Dalberg has a highly talented staff that have lived and worked in developing countries, fostering a unique depth of development expertise. We combine this insight with experience from top-tier professional services firms and leading academic institutions to create actionable solutions. Our diverse staff is representative of our clients and their beneficiaries and is comprised of:

- 60% women and 40% men global workforce
- More than 37 nationalities
- More than 50 languages

Dalberg has an extensive track record of success and innovation across public, nonprofit and corporate sectors. During the last 14 years, Dalberg has successfully completed nearly 1,200 engagements for more than 400 leading multilateral institutions, international agencies, foundations, NGOs, governments and global corporations operating or investing in frontier and emerging markets. We act at the forefront of development innovation, working extensively with leading social innovators, such as the Bill & Melinda Gates Foundation, Rockefeller Foundation and Skoll Foundation, and a broad range of international organizations, including the Global Fund, Human Rights Watch, and the World Wildlife Fund. We advise a broad range of private sector clients, including 10 Fortune 200 Global companies, and have partnered with dozens more. We have advised developing country governments and regional and international development finance institutions, including the World Bank, International Finance Corporation (IFC), African Development Bank (AfDB), Asian Development Bank (ADB) and Inter-American Development Bank (IADB), as well as numerous UN agencies at headquarter and field levels.

Dalberg's Global Compact COP will be available on the UNGC website and will be referenced on our own website, www.dalberg.com. For any questions or comments, please contact:

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Human Rights

- **Principle 1:** Business should support and respect the protection of internationally proclaimed human rights
 - **Principle 2:** Business should ensure that they are not complicit in human rights abuses
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ASSESSMENT, POLICY AND GOALS

Dalberg supports staff members in developing social impact initiatives both locally and globally, including initiatives that support and respect the protection of internationally proclaimed human rights. In order to support personal commitments to being good citizens, Dalberg has a sabbatical policy that enables staff members to work on social impact projects unrelated to client work in a developing country for two weeks to four months, depending on their tenure.

Additionally, Dalberg's work in the international development sector requires us to be highly conscious in our choice of clients, subcontractors and partners. Dalberg seeks to work only with clients of the utmost integrity, who are globally respected, and are seeking outcomes that improve the condition of people in developing countries. As such, every partner overseeing business development and project implementation activities takes personal responsibility to ensure our clients are not involved in any human rights abuses.

IMPLEMENTATION

In the last year, Dalberg engaged with a variety of actors under our dedicated Conflict, Human Rights and Humanitarian Aid practice. For example:

- **Dalberg advocated for utilizing a rights based approach in women economic empowerment programs.** We were engaged by a large foundation to build a fact book to support the business case and guide corporate entities in bringing a rights based approach to existing corporate-funded women's empowerment programs.
- **Dalberg facilitated the development of a strategic plan with the Danish Institute of Human Rights (DIHR).** We were hired by DIHR to conduct a stakeholder review of critical external stakeholders, an organizational review, and a revised theory of change to develop their internal strategy.
- **Dalberg conducted an impact assessment of an anti-sex trafficking organization in India.** We collected data and conducted interviews in three areas across India to measure and understand a variety of indicators that empower women to resist sexual exploitation, using a rights-based approach.

MEASURE OF OUTCOMES

In the past year, Dalberg has not been involved in any investigations, legal cases or incidents involving Human Rights violations.

In addition, we have written articles in prominent development publications and authored reports reinforcing our support for universal human rights:

- **Dalberg created a theory of change for a council building responsible jewellery supply chains.** We co-authored a report with the Responsible Jewellery Council on certifying organizations for supply chain integrity and sustainability in the global fine jewellery and watch industry. These certifications promotes standards in both industries that respect human rights and the environment.
- **Dalberg authored a report titled “From Response to Recovery in the Ebola Crisis: Revitalizing Health Systems and Economies.”** We aspire to spark collective action by governments, civil society, foundations, and international agencies in service of the Ebola-affected region of West Africa. The report shared our experience with those now helping to rebuild the region alongside us, and our perspectives on what can be done to strengthen the resilience and recovery efforts in West Africa today.
- **Dalberg worked to advance the rights of women.** We authored a report to inform key stakeholders on the importance of mobile literacy and digital skills barriers faced by women in accessing mobile internet in developing countries.

Labor

- **Principle 3:** Business should uphold the freedom of association and the effective recognition of the right to collective bargaining
 - **Principle 4:** Business should support the elimination of all forms of forced and compulsory labor
 - **Principle 5:** Business should support the effective abolition of child labor
 - **Principle 6:** Business should support the elimination of discrimination in respect of employment and occupation
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ASSESSMENT, POLICY AND GOALS

While the nature of Dalberg's professional services work does not necessitate staff union membership, our Corporate Policies provide for a system whereby employee concerns and grievances can be addressed via elected staff representatives.

We uphold the elimination of all forms of forced, compulsory or child labor and observe and support the ILO conventions outlawing such. In addition, as a matter of principle and reputation, we seek to ensure that these practices do not take place in our client, partner and sub-contractor organizations.

Finally, as an international consulting firm, Dalberg actively seeks to recruit a team that reflects the gender and ethnic diversity of our clients and their beneficiaries. Our Corporate Policies ensure staff members are recruited based on their ability to do the job; no distinction, exclusion or preference is given on any other grounds.

IMPLEMENTATION

Dalberg's Corporate Policies are posted prominently on our internal knowledge management system and are accessible by all staff. In 2014 we refreshed the anti-harassment section of our Corporate Policies. Our policies are accompanied by an open discussion forum that communicates directly with Dalberg's Global Managing Partner, Global Operating Partner, and the Chairman of the People and Values Committee. For confidential employee grievances and concerns, we have an established Ombudsperson system. The Ombudspersons are nominated by staff globally and retain the position for a period of at least one year. These representatives have direct access to Dalberg senior management and the responsibility to bring up issues of concern to staff.

In addition, Dalberg seeks to be a leading employer by recognizing the importance of maintaining an enjoyable and supportive working environment and providing social benefits. Each of our offices aims to provide benefits like health, dental, pension, maternity and paternity leave, etc. at levels exceeding/comparable to other leading professional services firms in their respective countries of operation. We promote team work and individual professional development through regular office-level retreats, a global retreat every 16-24 months, regular global and office-level skills training sessions, 360-degree feedback reviews and individual staff professional development plans.

In 2013, Dalberg implemented recommendations from an externally administered anonymous survey of all current staff and a group of former staff that examined employee perceptions of the firm and determined the firm's value proposition. Our progress to-date has been discussed freely across all

employment levels in an all-staff teleconference, and we continue to monitor this. We additionally plan to repeat this survey in early 2016.

Moreover, in the past year Dalberg has worked with a number of clients regarding labor and employment practices. For example:

- **Dalberg promoted labor compliance standards in a key industry in Bangladesh.** We conducted a study with the IFC to develop guidelines for a global pricing policy for services of Better Work, a partnership between IFC and ILO to ensure and promote labour compliance standards in the garment industry. The project helped Better Work arrive at parameters to think about their pricing strategy to ensure greater sustainability and offer improved services benefiting garment workers.
- **Dalberg identified key sectors to drive future job growth in Morocco.** We supported the Millennium Challenge Corporation in structuring a large grant to reform secondary and vocational education and identify drivers of labor demand in Morocco. We additionally provided recommendations to incorporate private sector input for job skills into education provision.
- **Dalberg developed a five-year strategic plan for the Rwanda Ministry of Industry and Trade.** In collaboration with ES Partners, we developed a theory of change and monitoring and evaluation framework to provide direction for Rwanda's economic growth, trade, and industry policies.

MEASURE OF OUTCOMES

In the past year, Dalberg has not been involved in any investigations, legal cases or incidents involving contravention of ILO conventions or the Global Compact labor principles.

Additionally, Dalberg's efforts to build and maintain a diverse staff and a supportive, non-discriminative corporate environment are apparent in our staff statistics:

- 60% women and 40% men global workforce
- 47% women and 52% men partner group
- More than 37 nationalities represented
- More than 50 languages spoken

Environment

- **Principle 7:** Business should support a precautionary approach to environmental challenges
 - **Principle 8:** Business should undertake initiatives to promote greater environmental responsibility
 - **Principle 9:** Business should encourage the development and diffusion of environmentally friendly technologies
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ASSESSMENT, POLICY AND GOALS

Dalberg is committed to fostering and promoting a clean environment and meeting environmental challenges through a wide range of efforts to monitor and reduce the carbon footprint of our individual staff and the firm as a whole.

Wherever possible, Dalberg raises awareness among our staff and guides them to the most environmentally friendly choices. Our travel policies, posted on our internal knowledge management system and available to all staff, advise use of the most environmentally sound methods of travel. In addition, members of our dedicated Energy and Environment practice foster internal and external dialogue on environmental challenges through monthly calls and email updates, blog posts and articles.

IMPLEMENTATION

In the last year, Dalberg worked with a wide range of clients to develop environmentally-conscious strategies, build knowledge around environmental markets, and promote the development and diffusion of environmentally friendly technologies. For example:

- **Dalberg helped mobilize resources around climate finance for SMEs.** We provided recommendations that will promote SME access to climate finance and improve the long-term sustainability of National Climate Change Funds (NCCFs).
- **Dalberg worked with the World Bank to prepare a clean cooking solutions roadmap for Central America.** We supported the governments of Guatemala, Honduras, and Nicaragua in scaling and reaching universal access to clean cooking solutions in these countries by developing a clean cooking solutions roadmap for the 2015-2030 period, and a clean cooking solutions investment prospectus for the 2015-2019 period.
- **Dalberg worked with the UN to publish a report on reducing emissions from deforestation and forest degradation.** We worked jointly with UNEP FI and UNDP's Green Commodities Programme to develop a report that provided a coalition to be formed between public and private actors seeking to reduce emissions, and acted as a catalyst for the design of a new results-based financing mechanism.

MEASURE OF OUTCOMES

In the past year, Dalberg has completed at least 15 projects related to environmental issues. During the same period, our firm published nine related insights on D. Blog, including a well-received infographic on

the global effects of meat consumption on the environment. We also authored or contributed to four public reports concerning energy and the environment. For example:

- **Dalberg supported a global campaign on the environmental importance of the Great Barrier Reef.** We produced an independent evidence-based report on the economic, social and environmental importance of the Great Barrier Reef, in support of the World Wildlife Fund's global campaign to protect the Great Barrier Reef from the impacts of expanding industrialization along its coastline.
- **Dalberg worked on reducing carbon emissions in cities through smart maps.** Our report on "Smart Maps for Smart Cities: India's \$8 Billion+ Opportunity" highlights that smart maps can help India reduce one million metric tons of carbon emissions a year, in cities alone.
- **Dalberg made advances in the proliferation of off-grid energy business models in one of the world's most populous countries.** We completed a report for the Climate Group on the state of the off-grid energy market in India, laying out the opportunities and challenges for solar home system and mini-grid enterprises.

Anti-Corruption

- **Principle 10:** Business should work against corruption in all its forms, including extortion and bribery

ASSESSMENT, POLICY AND GOALS

Dalberg observes and supports the United Nations Convention against Corruption. We seek to support governments, UN agencies and civil society to realize a more transparent global economy.

As a firm, we have strict Corporate Policies to avoid bribery, extortion and other forms of corruption both in home office countries and in the field. Where there are concerns, Dalberg includes specific provisions in our contractual arrangements with clients prohibiting any such behaviour.

IMPLEMENTATION

Our primary contribution to a transparent global economy comes in the form of our client work. In the last one to two years, we worked with a wide range of clients on governance issues. For example:

- **Dalberg provided the core components of a CSR strategy for real estate investments in East Africa.** We were engaged by multiple financial institutions to develop a framework and approach for evaluating the overall development impact of their real estate investments in Kenya, Nigeria, and Ghana.
- **Dalberg supported transparency within the UN system.** We worked with UNOP's Board of the Enhanced Integrated Framework to review the appropriateness and transparency of the Trust Fund Manager's operational tools and procedures, which it uses to undertake full fiduciary responsibility of the Enhanced Integrated Framework Trust Fund.
- **Dalberg supported citizen engagement in Nigeria.** We developed a strategic plan for the Kukah Center, a foundation set up to enhance and encourage citizen engagement in Nigeria. Our team worked to clarify the organization's mission and vision, and drafted a business plan and strategic document that highlights the Foundation's unique role and value proposition.
- **Dalberg promoted good governance to the Global Water Partnership.** We conducted a governance and financing review of the organization, and provided recommendations to be able to deliver effectively on its long term mission.

MEASURE OF OUTCOMES

In the past year, Dalberg has not been involved in any investigations, legal cases or incidents involving corruption or bribery.

In addition, we maintain transparent financial records via an annual audit with accredited accounting firms in each of our countries of operation.