

GRAND PARTNERS

Training & Consulting

Communication on Progress ~2016~

July 12th, 2017

I hereby declare that GRAND PARTNERS, Ltd. and its sister companies have been actively implementing the main principles of an ethical business since we started operating in 2004. Since joining the UNITED NATIONS GLOBAL COMPACT in 2012, we have made The Ten Principles our priority in a way we conduct business.

We make a conscious effort to communicate The Ten Principles to our employees, Clients, suppliers, and other stakeholders. We make sure that these principles are embedded in our everyday procedures and become a way of thinking.

We are committed to continuing participation in the UNITED NATIONS GLOBAL COMPACT with a hope of a better business and global environment.

Goda Petravičienė
CEO
GRAND PARTNERS, Ltd.

THE PURPOSE

GRAND PARTNERS, LTD and its sister companies operate in a private business sector in the area of business training and consulting. There are only the main legal requirement that our business needs to meet. Many of them are related to taxation policy as well as employment regulation laws. However, ever since the beginning of operating in the area related to most sensitive part of business - its people - we have made sure that our business decisions are based on the main principles of ethics. In order to stay in this business of training and consulting we need to be open and sensitive to our Clients' needs that sometimes are not even expressed in words. We also must keep our confidentiality agreements with our Clients and partners because we have to ensure open and sincere communication throughout our cooperation.

Therefore, joining the UNITED NATIONS GLOBAL COMPACT was an easy and voluntary decision that has not changed our daily business operations, but has shed more light into some of the issues and procedures. We believe that The Ten Principles of UNITED NATIONS GLOBAL COMPACT provide us with the most fundamental rules for conducting our business in a way that encourages growth and development not only for our business and industry, but also our economy and society.

OUR STATEMENT

With this document we (GRAND PARTNERS and its sister companies) state that we will continue our support for the Global Compact and we renew our ongoing commitment to this initiative and its principles for the year to come. With great pride we declare our participation in the GLOBAL COMPACT to our main stakeholders and share its Ten Principles encouraging them to join this initiative with a hope for a better business environment.

ABOUT US

GRAND PARTNERS training and consulting company has been successfully operating in Lithuania and neighboring countries since 2004. In 2010 and 2011 and again in 2016, it was awarded as one of the fastest growing training and consulting companies in the country. From 2010 to 2012 we were a part of one of the leading leadership development companies in the world LINKAGE, Inc. We continue to participate in the international projects held by such international corporations as COCA-COLA, SAMSUNG, MC DONALD'S, MARS and IKEA, which made our participation in the GLOBAL COMPACT even more significant, since these organizations care about business ethics as declared by the Ten Principles as well. Our training projects have grown into training academies with a duration from 3 to 6 months or longer. They are tailor-made to suit every Customer needs and requirements so that all the services we provide are meant to solve some business problem as opposed to just random HR development initiatives that usually bring very little change to a business.

According to sales revenue GRAND PARTNERS is one of the three largest businesses in the area in Lithuania and our hope is to grow and expand even more in 2017.

OUR MAJOR AREAS OF EXPERTISE:

- ♦ Leadership and Management Training and Development;
- ♦ Team Work and Development;
- ♦ EU Funded Project Management and Implementation.

We operate to develop leaders who positively change organizations. We strive to become a provider of choice, employer of choice and investment of choice as a company working in the fields of our expertise in every market we serve.

OUR PROMISE TO CUSTOMER

We provide our Customers with the newest know-how in the most comprehensive manner, supported by the tools that are easy to apply in a Customer's work environment right away. Our team is fully committed to all the preparation and post-service work to create the most valuable experience to our Customer.

OUR VALUES

- We work to create maximum value to our Customer;
- We encourage people to use their talent;
- We seek open communication and constructive feedback;
- We create relations based on trust and respect;
- We only give promises that we can fulfill.

THE TEN PRINCIPLES IN OUR BUSINESS

Common principles of ethical business conduct such as non-discrimination and equal rights, maximum transparency, non-corruption as well as common sense acts of respect, trust and open communication are part of who we are as individuals and as a company. Since we joined GLOBAL COMPACT in 2012, we started consciously implementing the Ten Principles in our everyday operations and our business culture. Please find a report on our progress for the period of 2016 to 2017 below.

Human Rights

- 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.

The respect for and protection of internationally proclaimed human rights is a very basic requirement that GRAND PARTNERS fully meets. Working in the areas of HR management and development we understand the basic needs for safety as well as the core psychological needs for respect and being heard.

We have had an employee representative since 2004, who is required by Lithuanian law, but we've delegated many more rights to that person than required. In addition to taking care of employee safety at a workplace, this person overlooks such issues as internal communications and microclimate within the organization to ensure the optimal conditions for employees. We also invest in employee skills training, yearly events and celebrations.

In 2016 we started a new team development initiative, called High Performance Team Collaboration. Its main purpose is to engage all the team members to be the positive change that they want to see in the team. This two-day get-away helped us to:

1. Become stronger as a team;
2. Express and hear the expectations that we hold for each other;
3. Set some priorities for team development for this year.

We had a second event of high performance collaboration in 2017.

In addition to that we conduct yearly surveys that measure employee satisfaction and allow them to confidentially express their ideas for improvement. During yearly evaluations people discuss any problems they may have with their direct supervisor and find solutions as fast as possible.

The outcome of retaining the best talent and quickly attracting potential employees fully covers the costs incurred.

Labour

- ♦ 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.

Lithuania has regained its independence in 1991. Since then its economy has experienced very fast growth and development in many respects. Forced and compulsory labour have not been an issue after the collapse of the Soviet Union and Communist rule, which happened way before we started our business. Child labour has never been a problem in this country.

However, collective bargaining is one of the hot topics in Lithuania. GRAND PARTNERS participates in projects that allow local labour unions and employers have more productive conversations and negotiations.

We also have an ongoing cooperation with one of the main trade-unions in the country and do pro-bono work for them to help them develop their effectiveness as well as build their influence.

In general in our country in case there difficulties between an employer and employee, the employer is always the guilty side until it proves otherwise. In most cases that are taken to court, employee wins and the employer pays fines and compensation. However, there are a lot of cases when employees do not know their rights or are afraid to exercise them because of a threat to lose their job.

At least 50% of our work consists of training and consulting in the area of human resources. We stress the importance of equal rights and opportunities for every employee. We emphasize that employees need to be judged based purely on their competencies and value they create for business and not their personal traits, beliefs or other factors that do not have direct impact on their work results. We deeply believe that businesses also benefit from that greatly not only because they are viewed as a more desirable and trustworthy employer, but also because it is easier for them to attract and retain talent.

In 2013 - 2015 GRAND PARTNERS conducted 8 very large EU funded training projects for various business associations. A total of about 120 various-sized companies were involved. It was a

requirement by the EU that every person in these projects takes a training in the area of gender equality.

A group of senior consultants from GRAND PARTNERS and some additional gender equality consultants prepared three different 1-2 day training programs that were conducted in every company that participated in those projects. During those trainings:

- ◆ People found out that female discrimination is still very persistent;
- ◆ Some common practices that are still widely acceptable are considered to be female discrimination;
- ◆ Participants got advice who to contact in case of being victim to or witnessing any kind of gender discrimination;
- ◆ Employers got some help with their HR practices to make them equal to both genders.

This year we also had four female employees leaving work on maternity leave. Most employees come back to work when their babies turn 1 or even 2. This means extra effort that we have to put in to have those jobs open and ready for their return, also extra effort to keep in touch with mothers who are temporarily away and to keep them informed so that their coming back is the smoothest possible.

We believe that those are only the first steps in equal rights and opportunities for all in business, but they are significant because people are starting to recognize these issues around them and are getting tools that allow them to react and stop unequal treatment of employees in the workplace. AT GRAND PARTNERS we are committed to implementing equal opportunities for all and to spreading these policies among all of our shareholders through our everyday operations as well as our training and consulting where it is appropriate. We have made equal rights part of our hiring and employee retention plan from the very beginning of our operation in 2004. Our team consists of almost an equal amount of men (40 %) and women (60 %).

Environment

- ◆ 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.

We still implement the very basic principles that help us stay as green and environmentally responsible as possible:

- ◆ Think before you print!
- ◆ Recycle!
- ◆ Reuse!
- ◆ Use scratch!
- ◆ Car-sharing at all times possible!

In 2015, we also started some initiatives to reduce direct carbon emission. Some of the practices we promote at work as well as our households include:

- ◆ Using low-power light bulbs;
- ◆ Optimizing heating and cooling cycles;
- ◆ Responsible use of personal computers and IT equipment (e.g. setting computers to sleep mode when not in use, turning them off overnight and defaulting to double-sided

- printing);
- ♦ Use of greener travel modes.

Anti-Corruption

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

We are proud to be a responsible tax payer. We make our business as transparent to legal institutions and even our stakeholders as possible. We make sure that our business deals are based on what our Clients are willing to pay for the value we create. When we participate in legal tenders, we attract sub-contractors that see ethical business as their priority.

We choose our suppliers, partners and consultants based on the their core competencies they can offer our Clients and make decisions based purely on the value we can create together.

CONCLUSION

We are proud to be one of the very first ones in our business area to join UNITED NATIONS GLOBAL COMPACT. Though this movement is gaining its popularity fairly slowly, it has served us a motivational purpose within the team and with other stake holders as well. The 10 PRINCIPLES have always been very close to the core of our business values and they are have grown into our everyday decision making criteria.

Managing Director

Goda Azeneckaite-Petraviciene