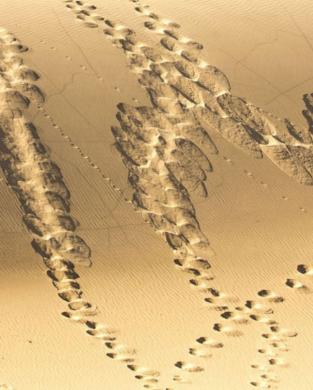


2017







The UN Global Compact is a strategic policy initiative for businesses that are committed to aligning their operations and strategies with ten universally accepted principles in the areas of human rights, labour, environment and anti-corruption.



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.

Labour Standards

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.

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.

Anti-corruption

Principle 10

Businesses should work against corruption in all its forms, including extortion and bribery.

Who we are

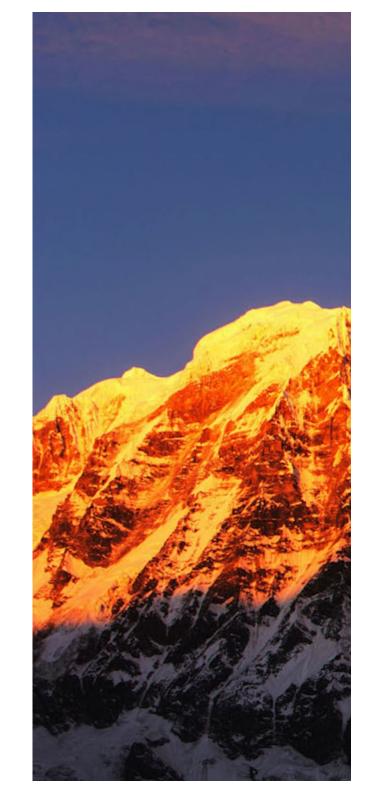
Impact is an independent multi-award winning global leadership development company, established in 1980. We have a worldwide delivering capability, employing over 150 talented people from offices in the UK, Europe, Asia-Pacific and the USA. We focus on transforming the impact of leadership action in organisations by inspiring and developing employees to grow as leaders, as managers, as talented professionals and as people.

We build organisations worth working for...

We believe that it is through our organisations that we will successfully meet the challenges we face as a global society. Our organisations must therefore be the very best expressions of human ingenuity, endeavour and enterprise, they should be vibrant places that inspire meaningful action and create enduring value.

We create experiential learning adventures that catalyse and embed behavioural change.





THE GLOBAL GOALSFor Sustainable Development





































Introduction from David Williams

Impact have been a signatory to the United Nations Global Compact since 2005.

Key to the progression of these principles is the commitment and support from our people.

In a recent survey (source: Great Places To Work® Survey 2017)

99% of our employees said that 'it is a physically safe place to work'

99% said that 'Impact manages its impact upon society responsibly'

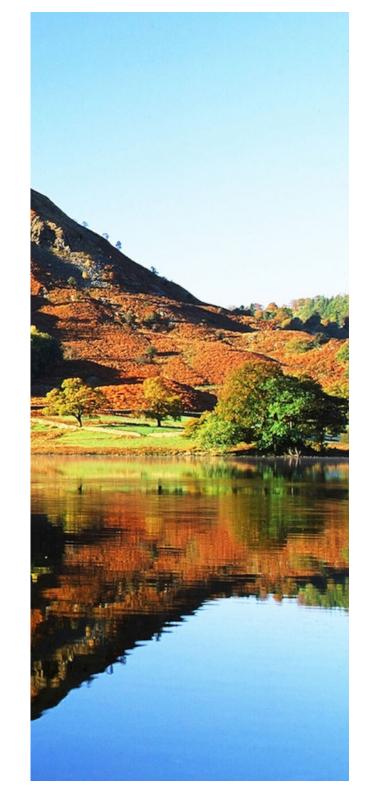
97% said that 'it is working to improve its environmental impact'

99% said that 'Management is honest and ethical in its business practices'.

Our global performance as a business continues to be underpinned by our capacity to work with global clients at the scale and reach they demand. Our independence continues to be an important factor in positioning ourselves successfully in a hugely competitive global marketplace.

Achieving 3rd place in the 'Great Place to Work' competition was testament to the organisation's culture and talent and our commitment to leadership development as the core of our business has successfully brought focus and clarity to our global branding this year.

We have initiated a new strategy to reach beyond our established expertise in leadership development to establish a new approach to facilitating people led change. By drawing upon 38 years of experience in people development we are able to support whole organisations as they tackle complex change projects which are emerging more frequently for our clients.



As a responsible business we remain committed to supporting charitable activities in a variety of ways. One of these it through Impact Aid. In 2017 we raised over £6,000 from fundraising with matched contributions from the business.

Our charity of the year is Jigsaw, with whom we have built a substantial and mutually beneficial relationship. Through our approach to gifting the time and expertise of our staff into supporting local charities and good causes we have made a substantial contribution to local organisations, charities and small businesses, in total providing more than 137 days to our local community partners.

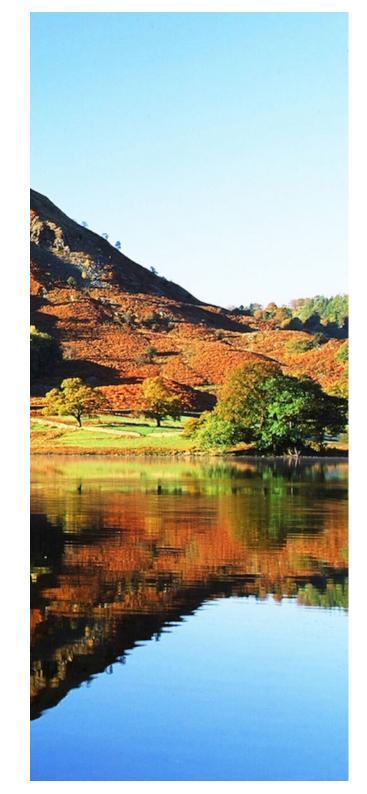
Building on last years initiative we have continued to embed the Sustainable Development Goals into our practice, weaving them into our work with clients. This has also informed a number of internal initiatives during the year, including the support of "Images from a Warming Planning" by Ashley Cooper, a book that will change the perception of climate change and will accelerate global action to mitigate this.

As we move into 2018, I am please to reaffirm my full support to the UNGC and the ten principles which underpin the initiative. In this year's report we outline progress made in the UK.

As in previous years, our report demonstrates success and failure against our 2017 targets.

Our Report is in the public domain and can be viewed on the UNGC website or via a link on our website:

http://www.impactinternational.com/united-nations-global-compact



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 abuse

CONTEXT: Impact is fully supportive of the Universal Declaration of Human Rights and is aware of the UN Guiding Principles Reporting Framework. Impact is committed to the implementation of all aspects of human rights, internally within our organisation and externally, through the delivery of programmes we deliver for our clients.

As an international organisation we seek to develop consistent best practice across all regions and work to the highest standards in terms of safe and healthy working environments, child protection and other aspects of human rights.

As a service organisation, we can support these principles in two tangible and measurable ways.

The former is around how we engage and educate our people in this area and the latter is about providing innovative approaches to engage and influence across our clients and supply chain.

Our report outlines how we address these principles internally and externally

Internally:

The support Impact provides to uphold the rights of its employees and of others through the 'Learning in the Community' initiative.

Externally:

How we support and uphold the rights of participants on our programmes and partner organisations through our Community Action Learning (CAL) programmes.

INTERNAL: All Impact employees are expected to complete a minimum of three paid days, working in their local community. We call this initiative 'Learning in the Community' (LITC).

Learning in the Community (LITC) is formally reviewed twice a year, during performance reviews by line managers. All activities are aligned to personal development targets and the Sustainable Development Goals.

Our target is to uphold 70% engagement of LITC throughout the UK business. In 2017 a total of **135** were achieved out of a potential of 207 days = **65%** In 2016 a total of **80** days were achieved out of a potential of 186 days = **43%** In 2015 a total of **72.5** days were achieved out of a potential 165 days = **43%**

There has been an increase of 55 days (22% engagement) in 2017, this is mostly accounted for by our collaboration with Action for Children. Impact designed and delivered a residential holiday for 20 children. In total 43 days (approximately £7,000 worth of time) were required to deliver this 5 day activity- based holiday

The statistics above includes full time members of Impact UK in 2017, of which there are 69 employees in the UK.

According to the Great Places to work (GPTW) survey: 94% of UK employees 'feel good about the way we contribute to our communities'.



In January 2017, two Impact consultants provided a one day (pro bono) Team development event for The Bendrigg Trust (outdoor learning experiences for people with disabilities).

Feedback about the event included:

"Just a quick email to say a huge thank you to you (and your team) for a great day at the Merewood earlier this month. The day far exceeded my expectations and staff came away absolutely buzzing with energy and enthusiasm.

Comments from the staff such as in over 30 years it's been the best start we've had to a year' said it all to me! i'll be reporting to Trustees on Thursday."

Nick Liley, Principal **The Bendrigg Trust**

Aligning our LITC activities to the SDGs

The best way for people in Impact to feel valued, engaged and motivated to make a difference is by creating opportunities to give back. This has helped us to create the sense of community and appreciation of each other that defines our culture. All LITC work is aligned to personal development plans and the Sustainable Development Goals.

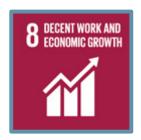
Work Inspiration Programme - Impact has partnered with many of the local secondary schools to provide a five-day programme for 15-17 year olds that educates and inspires a whole generation of local young people to potential future careers. They get to experience all the different parts of our business as well as spending time learning about themselves and how they work as a team.

Growing Well: Through our Learning in the Community (LITC) initiative we have provided coaching and skills workshops and our UKGM (UK General Manager) has joined the Board of Growing Well, supporting their organisation moving forward.

Sight Advice South Lakes: A cross functional team has worked with this local charity to help them rebrand and market themselves more effectively to reach out to many more blind and partially sighted people in the South Lakes - coinciding with their 60th anniversary and a move to new (more accessible) premises the charity has benefited from an image overhaul and increased numbers using their services









All our LITC activities support goals 3,4,8 and 17

Aligning our LITC activities to the SDGs

Chosen Charity Jigsaw –Impact staff nominate and then vote for a chosen charity that Impact Aid will support for the year. Our chosen charities have been Growing Well, South Lakeland Carers, Teenage Cancer Trust (TCT) and as of April 2017 Jigsaw, Cumbria's Children's Hospice.

At a special 'swap-over' lunch we celebrated all we have achieved working in partnership with TCT. Not only have we raised over £10,000, but we have also been involved the following: London Marathon supporters, Albert Hall bucket collections (twice), two half marathons, the Great North Run, Bear Gryll's Born Survivor Challenge, two Find your Sense of Tumour events, numerous The Way Forward Programmes, Employability Sessions and many other events.



Jigsaw is our chosen charity for 2017/2018





Impact supported TCT from 2016– 2017

EXTERNAL – Community Action Learning

This innovative methodology brings corporations and communities together for mutual benefit and learning.

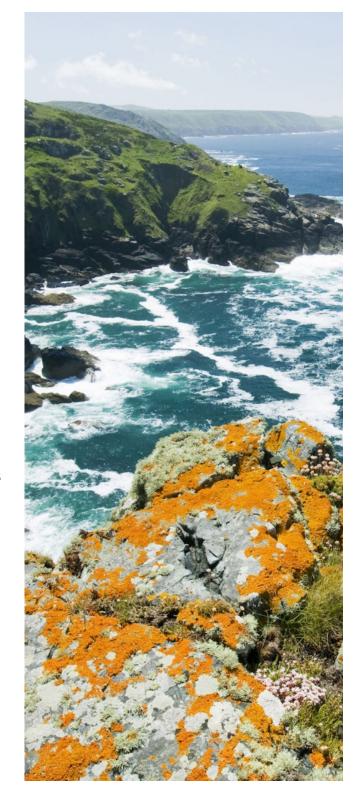
Two relevant updates in 2017

- Due to changes in legislation around working young people we updated our safeguarding policy, in particular our consent form which protects and respects the young people we work alongside. Changes have been communicated through our normal platforms (see page 19 for our communications network)
- Adventure Activities Licensing Inspection. We had our 3 yearly inspection in April and passed in all areas. We need this license under statutory legislation to provide activities for under 18 year olds.

Community Action Learning provides a meaningful way to bring learning to life and a powerful way to bring learning to others.

Two recent projects include:

- BAE Systems graduates running exciting, interactive projects for hundreds of local primary school children with links into Literacy and Numeracy skills
- Raytheon UK graduates working with multiple partners including year seven students
 from the Lakes School Windermere, The Royal British Legion and Croppers (who make
 the Remembrance poppies) to raise awareness of the work that The Royal British
 Legion do through the creation of displays for Remembrance Day Poppies this
 project was so successful that there are plans to take the project nationwide.



Progress against targets

2017 TARGET: - The delivery of our Human Rights Policy through our Global Learning platform, The Impact Academy

PROGRESS: - All new recruits embark upon an induction programme where all HR polices are shared. The Impact Handbook is also available digitally or in a hard copy for employees to access. The HR function regularly reviews and updates any policy changes these changes are shared through our regular communication platform (refer to page 19)

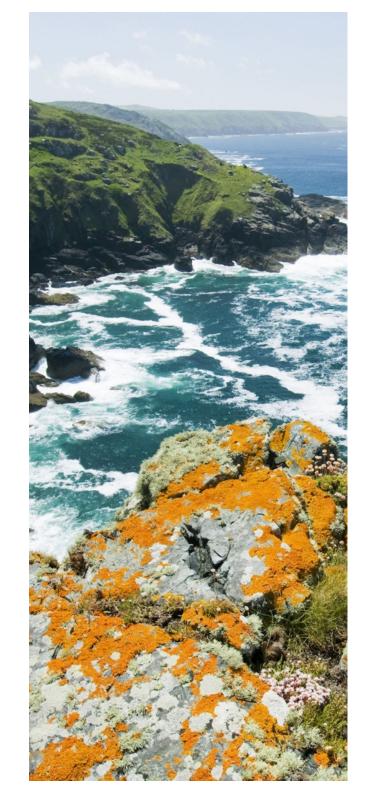
2017 TARGET: Report on any Human Rights issued raised, either internally or externally. Provide details on the process we use and how learning is shared

PROGRESS: Updates on both our safeguarding policy and consent form, this was as a result of wider changes in legislation. There were no reports on any Human Right issues.

2017 TARGET: Progress and results from the internal Pulse Survey

PROGRESS: We ask exactly the same questions at the same time of year to get a true comparison between 2015, 2016 and 2017

We are interested in what progress we have made over the past 12 months and where we need to focus our attention for the following year.

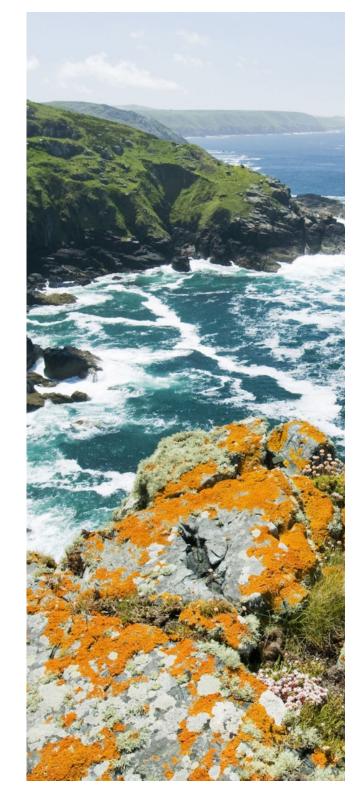


Key areas worked on in 2017 to respond to feedback from employees (via the Pulse survey 2016) included:

- The introduction of a Health Cash Plan for all staff in the UK to support their mental and physical health
- Mental Health Awareness Training Day (part of of Impact's continuing focus on Health and Well-being and an evolving Mental Health Care Plan)
- Organised yoga, pilates and Insanity sessions every week
- Continued with regular massage sessions during work hours
- Embedded 'Client Service Teams' as a way of working effectively in teams
- Launched the Impact Academy and a lot more development offerings. In total 43
 development opportunities, workshops and bitesize sessions were delivered from
 formal project management training, how to give and receive feedback, and
 developing facilitation skills.

The impact of key areas addressed against the results from the Pulse survey 2017:

'I know what is expected of me' - Up 4.6 points from 94% to 98.4% 'I can manage my wellbeing' - up 7.2 points from 83% to 90.2% 'We work well in teams' - up 4.6 points from 83% to 87.9%



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Communication on Progress 2017

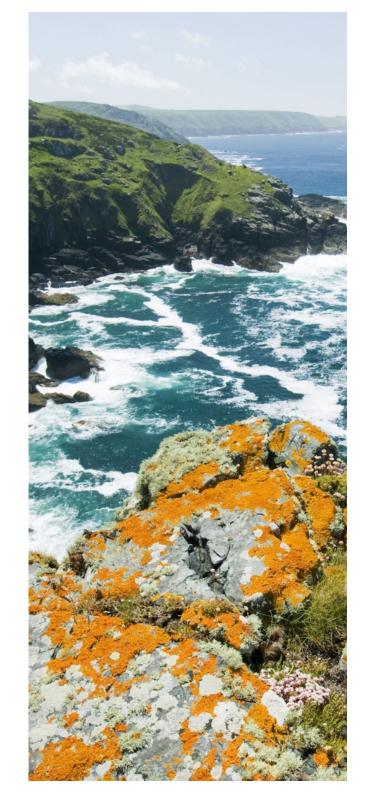
2017 TARGET: Provide details of SDGs related internal and external projects

PROGRESS:

- We delivered an SDG workshops for 300 new recruits in the energy & defense sector
- We designed and delivered SDG related projects on several of our clients' development programmes
- We supported the UKSSD (Stakeholders for Sustainable Development Conference by providing facilitators and 'leadership content' for their SDG workshop
- Hosted a SDG networking event for clients in London
- We delivered an internal programme using the SDGs as a way to innovate and engage around wider societal issues
- We delivered an SDG workshop at our annual event 'Learnfest' to an audience of 150 leaders from all sectors...

'I have used the information from the last Learnfest so many times – especially the SDGs... In fact the big project I am now working on is influenced by the SDG's'

A Learnfest participant



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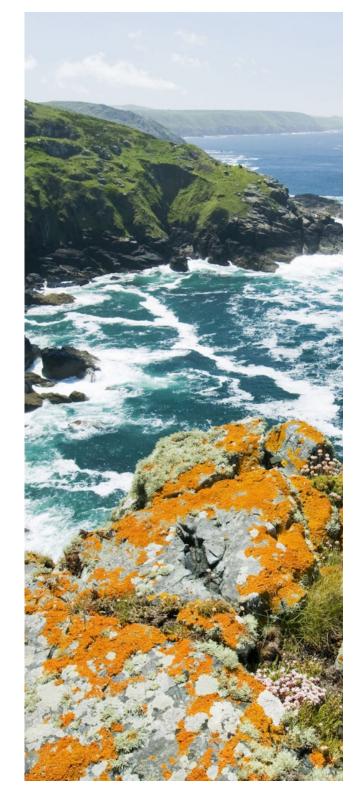
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TARGETS FOR 2018

Our central purpose through 2018 in respect of our commitment to the UN Global Charter will be to engage our own employees, as well as influencing our clients and our supply chain with regards to their practices.

Specifically we will:

- Review policies and report on any changes
- Introduce Mental Health Awareness training across the UK business
- Roll out coaching training to enable people to support each other more effectively in their work and home lives
- Launch of Hive a mentoring programme run through an online platform to match suitable coach and coachees
- Report on all SDG related external projects with clients
- Rolling out The Impact Academy on a digital platform to enable people to develop, grow and do their jobs better both 'on the go' and face to face



Principle 3

Business should uphold the freedom of association and the effective recognition of the right to collective bargaining

Principle 5

the effective abolition of child labour; and

Principle 4

the elimination of all forms of forced and compulsory labour:

Principle 6

the elimination of discrimination in respect of employment and occupation.

CONTEXT: Our key asset is our people. Consequently Impact is committed to adhering to, and going beyond, all legal requirements to provide fair, flexible and appropriately remunerated employment to all our directly employed and freelance contract staff.

Key labour related issues for Impact involve providing a safe and healthy work environment, flexible working structures (both in terms of available contracts for staff and day to day working practices) and providing transparent remuneration and appropriate benefits for contract staff. Impact employ a large number of 'contract' or 'freelance' staff across our global offices. Because of their freelance status such staff often have the least access to representation and forms of collective bargaining.

Relevant feedback from the Great Place to Work® survey in terms of Labour standards include:

- 99% said 'Management is honest and ethical in its business practices.'
- 99% said 'This is a physically safe place to work.'
- 92% said 'This is a psychologically and emotionally healthy place to work.
- 92% said 'Management trusts people to do a good job without watching over their shoulders'

Safety at Impact will always be our top priority.

- Our Global Head of Safety, Phillip Poole reports directly to Sam Carey, Head of Impact UK and David Williams, Founder and CEO.
- Health & Safety is addressed at every Monday morning company meeting and the beginning of every programme and project.
- Each month a safety update is communicated globally through our Safety website.
- Updates from Country Managers are shared with the Board on a quarterly basis.
- Every year a safety report is completed and shared throughout the organisation.

Progress against Targets

2017 TARGET: Review the working of the People Bank to accurately record progress on the safety training learning management system (LMS)

PROGRESS: In progress but not completed yet due to the lack of capacity to work on it. This is not a crucial or priority project but it will be included in the 2018 targets. Impact UK's General Manager has recommitted the business to deliver on this target as we have been unable to progress this for two years.

2017 TARGET: Develop the functionality of the LMS on the safety training system

PROGRESS: This is not a priority project and whilst some progress has been made, we have not completed the task of developing functionality of the LMS.



Global Head of Safety, Phillip Poole

External safety audits:

We continue to monitor changes and updates to legislation and guidance. There have been no significant legislation changes that affect Impact UK in 2017.

All safety updates are communicated through our:

- Weekly company wide meeting (every Monday)
- Global Management Team
- Safety website (accessible by all offices and in the public domain)
- Slack channels (our global communications tool)
- Global communications monthly update sent out by Phil Poole, our Global Safety Officer

Total accidents:

- This year, we had a total of 7 accidents, up by 4 on last year, all of which were minor.
- Total accidents in 2016 down to three. The only significant accident was to a member of staff from a slip exiting the office, but this did not result in a Reportable Incident.
- In 2015 our total accidents went up one from 8 to 9 these were 'participants on our programmes'. There were no accidents to staff in 2015



Adventure Activities Licensing Inspection

We had our 3 yearly inspection in April and passed in all areas.

We need this license under statutory legislation to provide activities for under 18s. This includes the children's holiday and apprentice work.

The report mentioned:

"....noting an encouraging number of 'near misses' with applied learning and a very limited number of incidents. An investigation was sampled and there appeared to be a robust process of drawing out learning points that were then specifically linked back to the activity procedures that activity staff could reference."

Progress beyond targets

We continue to have a high level of reporting of near misses (25 for 16/17) and this has enabled us to implement any improvements necessary and raise staff awareness.

Incidence of accidents.

The incidence of accidents (number of accidents divided by the number of people) has gone up for participants from 0.02% to 0.07% and down for staff from 1.75% to 1.72%.

Frequency of accidents

The frequency of accidents is an industry standard calculation of the number of accidents x the hours exposed and has gone up for participants from 0.91 to 2.68. It has gone down slightly for staff to 0.92 because of our one accident this year and slightly increased staff numbers.

Statutory Reportable Incidents

We had no reportable incidents this year.

What sort of accidents did we have?

All the accidents this year were minor. One member of staff got a burn to the arm when taking the lid of a water boiler at a campsite; there were a couple of strained shoulders during canoeing, but one of those was a pre-existing injury; a cut finger during an indoor creative project and 3 walking / scrambling injuries due to slips resulting in a sprained wrist, a sprained ankle and a graze to the shin.



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Progress beyond targets continued...

Embedding a safety culture - actions as a result of incidents

Our 'near miss' incident reporting rate (25 in 2016/17) demonstrates a positive attitude to our safety culture, enabling the organisation to investigate, learn, adapt and review our systems/policies.

Below are a some of the actions taken following a reported incident. These action are shared to all employees though our regular communication channels (please refer to page 19)

- Reminder to be aware of changing conditions when operating outside, to avoid slips on exercises and to ensure suitable footwear.
- Taxi company confirmed their vehicle maintenance systems after an incident to a tyre on the M6.
- Reminder that staff are better off paddling solo in canoes when running sessions and a review of the 'Take Two' system after a slight loss of control issue reported by staff.
- Review of safety management on Learnfest, updated risk assessments and clearer lines of safety responsibility after an air conditioner is blown over by wind.
- Reminder that participants should not use their own vehicles at all during projects.



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Proactive Safety Actions

- Update of Safeguarding Policy for Consent Form.
- Update of people with Safety Management Responsibilities
- Advise to pre-register SMS to 999 to ensure communications in poor mobile phone signal regions.
- Advise staff to install Echo112 lifesaving smartphone app that sends your location to local emergency services, worldwide.

Targets for 2018

- Review the working of the People Bank to accurately record progress on the safety training Learning Management System (LMS)
- Develop the functionality of the LMS on the safety training system
- Get the Safety App rolled out and working.
- Review the Emergency Response Team training and test systems.



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.

CONTEXT: Like all businesses Impact face considerable environmental challenges. As a service organisation our key challenges are around resource usage on our programmes, office energy efficiency and transport.

95% of our employees believe that we are working to reduce our environmental impact (source: Great Place to Work® Survey 2017).

We believe that we have an environmental responsibility to protect our communities and therefore we aim to undertake environmental initiatives that will have an impact on our local and global communities.

We have an internal focus group that consists of a cross functional team tasked with driving environmental initiatives through the business.

Progress against targets

TARGET 2017: To appoint a new environment team to drive and engage the business to continue to progress our work in this area.

PROGRESS: The new cross functional team has formed in May 2017 which has helped to drive new projects and initiatives.



TARGET 2017 Re-launch the annual environmental report, providing data in more usable formats for different stakeholders including alignment with our Responsible Leadership proposition and the Sustainable Development Goals

PROGRESS: The newly formed environmental team have started this target. All 'Learning in the Community' work has mapped against the SDG's and there are currently no projects which focus on Goal 13, Climate Action.

Actions beyond targets

- Buying reusable water bottles for use on all our programmes
- Managing our woodlands we have a Woodland management plan in place to make more of our woods accessible. We have an in-house tree surgeon to manage our woodlands in consultation with National Parks Authority and Cumbria Woodlands.
- We have replaced all lighting with more energy efficient LED lighting in two of the three offices
- We have removed a diesel engine van on our fleet and replaced it with a fully electric version for use on programmes.
- Travel considerations for programmes and meetings taking the train if at all possible



TARGETS FOR 2018 - the following targets have been aligned to relevant SDG's

Goal 7 - Ensure access to affordable, reliable, sustainable and modern energy

- Continue to replace our petrol and diesel vehicles with electric versions where possible to achieve ultra low fleet status.
- Choose an electricity supplier that offers a 100% renewable energy tariff.

Goal 12 - Ensure sustainable consumption and production patterns

- Increase our recycling to include items that are not currently recycled
- Donate our retired technical equipment to be up-cycled

Goal 14 - Conserve and sustainably use the oceans, seas and marine resources

• Organize a beach clear up at one of Cumbria's beaches

Goal 15 - Sustainably manage forests, combat desertification, halt and reverse land degradation, halt biodiversity loss

- Print all our documents on 100% recycled paper.
- Actively support a tree-planting project locally.









Principle 10

Business should work against corruption in all its forms, including extortion and bribery.

CONTEXT: Impact firmly believe that all businesses should work against corruption. We have strong internal policies communicated to all staff (through our staff handbook) about expectations for professional and ethical behaviour, it states that:

'Impact recognises the importance of conducting its business subject to the highest ethical standards, with integrity and honesty, and in full compliance with all applicable laws'.

All new employees are taken through a full induction process where our policies on anti corruption are provided and talked through to ensure people understand our policies.

There are also a number of interventions at every stage of our work with clients where we share, communicate and assess the work scope and our role.

Any issues which may compromise our work are quickly identified, communicated and discussed at the appropriate level.

In 2017 we recorded no incidents where our policy was compromised.



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