

UN Global Compact Communication on Progress report

17 May 2018



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Message of Support

On behalf of ThinkPlace, a company of which I am Founding Partner, I'm delighted to be submitting this, our first *Communication on Progress* report.

The report covers our initial 12 months as a signatory to the UN Global Compact. And what an eventful year it has been.

ThinkPlace is a global design consultancy that operates in a hugely diverse range of different environments and cultures. We strive to innovate through design thinking and to use our creativity to work with clients and others to design a better world.

That has long been our goal and it has carried us well. We have grown from a single employee 12 years ago to more than 100 in 2018. We run eight studios spread across five countries.

Our work in the past year took us to more than 30 nations across the globe, working with partners including governments, corporations and agencies such as the Red Cross, Bill and Melinda Gates Foundation and USAID.

Our company is growing rapidly. But as it does we have increasingly come to realise the importance of not just doing the right thing because we are convinced it is right but also being part of a broader framework

The UN Global Compact has given a shape and structure to the kind of behaviours and practices we already strove for as a company: nothing could be more important to us as an organisation than the four principles of environmental responsibility, labour practices, anti-corruption and human rights.

We are not only proud to uphold these values, we are bound to do so by our own sense of ethics and decency.

ThinkPlace is a company that adopts the UN's 17 Sustainable Development Goals as our own. They are our North star. Our GPS. Our road map. As a consultancy, our impact is expressed most often through the clients we choose to work alongside. We carefully measure how each and every project we take on supports and reinforces the SDGs. We have placed them prominently on the walls of our studios, so that staff and clients alike see them many times each day.

And when we are acting in alignment with those goals we know we are making the impact we strive for.

ThinkPlace has long placed a premium on being an ethical operator in a complex world. Each day, across the globe, we send people into places with vastly-differing attitudes, cultures and standards.

We need to know that when we do so we are acting in consideration for local people and their interests but are doing it within a framework that supports universal ethical principles that we hold non-negotiable. At ThinkPlace each project we take on must undergo an ethics screen, a process overseen by our Chief Ethicist (who is also a partner in our business). This has been a particular focus during the past 12 months.

We have a range of policies in place that underline our commitment to the Global Compact and we have taken care to ensure that these are communicated powerfully and frequently to our staff.

With a focus on corruption, governance and ethical practices taking up much of our efforts in the first year we are preparing to expand the influence of the compact in year two.

While we have long been committed to sustainability and to operating our business with as light a footprint as possible we acknowledge that we can still make improvements in these areas. We have been pleased to identify some ways in which that can be achieved. During the coming 12 months we set ourselves the goal of achieving this further engagement with the compact and its principles.

Sincerely,

John Body (Founding partner)



Human Rights

Human Rights

Principle 1 – Businesses should support and respect the protection of internationally proclaimed human rights



What we believe

ThinkPlace is committed to ensuring everything we do is aligned to the United Nations *Universal Declaration of Human Rights*. Because of the nature of our work, we have a particular commitment to the *Convention on the Rights of the Child*, the *Convention on the Rights of Persons with Disabilities* and the *Declaration on the Rights of Indigenous Peoples*.

At ThinkPlace, we design for a better world. Our focus is on creating solutions to society's most complex challenges. We do this based on the principles of co-design and the belief that those closest to the problem have expertise, insights and experience that are critical in getting to the right solution.

Whether it's a strategy, policy, programme, service or a digital product, our designs:

- Improve things for the individuals, communities and societies who will experience them
- Do not create situations of harm for individuals, communities and societies
- Strive to move the needle on the UN's Sustainable Development Goals, in both developed and developing countries





At ThinkPlace we always strive for a culture that strongly values positive, ethical impact.

- We believe can make a positive difference in the world
- We make sense of the world using empathy to guide us.
- We put in place the policies, training and principles our people need to live our shared ethics



How we show it

- During the past year we have introduced an Engagement Risk Matrix, published on our internal communications channel, which asks staff about to conduct fieldwork to consider the vulnerability of the people with whom they engage, the sensitivity of the topics of engagement and whether the engagement might impinge negatively on the rights of the subject. This enables higher risk engagements to be considered by the ThinkPlace Executive before a decision is made whether to proceed.
- We provide our team members training to ensure that human rights are protected and upheld during our interactions with people through our course *Ethics in the Human Research Process*.

- To ensure its alignment with the Convention on the Rights of the Child, (and Australian law) ThinkPlace has developed a policy document: *ThinkPlace's Protecting Children Policy*.
- To ensure its compliance with the Convention on the Rights of Persons with Disabilities, ThinkPlace has sought out best practice globally to guide the work of its team members. We use Ethical Guidance for Research with People with Disabilities, published by the National Disability Authority of Ireland.

ThinkPlace demonstrates its commitment to the *Declaration on the Rights of Indigenous Peoples* through this statement on its website:

At ThinkPlace, we respect the special rights of Indigenous peoples around the world and believe that they have a unique, powerful perspective that should be harnessed in the design of societal systems - both in an Indigenous context, and for society as a whole. We respectfully seek opportunities to collaborate with Indigenous communities and where this is possible, work to ensure that they have presence and influence at the design table.

(http://www.thinkplace.com.au/company/ethics)

Human Rights

Principle 2 – Businesses should make sure that they are not complicit in any human rights abuses



What we believe

At ThinkPlace we work for the betterment of society. We have chosen to formalise this longstanding guiding principle by adopting the dual frameworks of the United Nations Global Compact and the Goals for Sustainable Development. Within this framework of rules and principles we recognise that the *UN Charter of Human Rights* is a foundational document It is core to the mission of the United Nations and it is core to the ThinkPlace mission.

The Charter is not simply a document to us it is a set of principles we live every day. We work for change at a systems level in countries all over the world. This means we have vast capacity to make an impact on the lives of those who are vulnerable or exploited. We strive to make this impact a positive one. Few things could be more important to our company than ensuring we are not complicit in any human rights abuses. We take care to ensure that our commitment to human rights is not an abstraction, it is a change we seek to make in the world. We are meticulous about monitoring our own impact in these areas but also careful to ensure the partners and clients we engage with have similarly high standards.

Through our work we strive to build up civic institutions in the developing world and to create stronger circumstances in which human rights can flourish. Our work is, by nature, collaborative. This means we have an extra responsibility to ensure we do not unwittingly abet human rights violations by our partners.



How we show it

- Each project that ThinkPlace takes on must first undergo a formal ethics screening process, overseen by our Chief Ethicist. This is a detailed audit that examines whether a project is likely to cause harm but also examines whether any of the partners involved in the work are engaged in behaviour that contravenes our commitment to protecting human rights and other ethical mainstays.
- An Ethics statement is prominently displayed on our global website and makes clear the principles we expect to uphold.

https://www.thinkplaceglobal.com/company/ethics

- The *ThinkPlace Code of Conduct* details what is expected from each ThinkPlace employee or contractor. It is compulsory reading for all staff and an expectation that it be upheld is stipulated in all employment contracts. The code is prominently published on our internal communications channel.
- Induction manuals for new staff also make clear that all projects must avoid negative impact in a range of areas, including human rights.
- All staff undergo twice-yearly ethics training.
 This is scenario-based and aims to present
 staff with the kind of dilemmas or challenges
 they may face in the field. Some of these
 scenarios relate to identifying, avoiding and
 reporting situations where human rights are
 being violated.

Our work

Many of ThinkPlace's projects support the creation of environments in which human rights can flourish. In Del Norte County, Northern California, 66 per cent of children start school unprepared and many families struggle to build their children's literacy. The School Systems Implementation Team, educators and community leaders wanted to change this.

ThinkPlace set up a design team of educators and community agencies to engage with families and teachers to better understand what was impacting on a child's capacity to learn. The empathy research focused on the cultural inclusion of Native American, Hmong and Hispanic people.

We learned that there were families under pressure in a world that feels unsafe and chaotic; families where day-to-day living was the focus; through to families with huge aspirations for their children, where learning was a priority. 175 parents, educators and community leaders came together to understand the research insights and design a new literacy experience for Del Norte families. These insights have galvanised the local community – both at a systems and individual organisation level. The community has signed up to an audacious goal: that all third graders will be reading at third grade level by 2023.

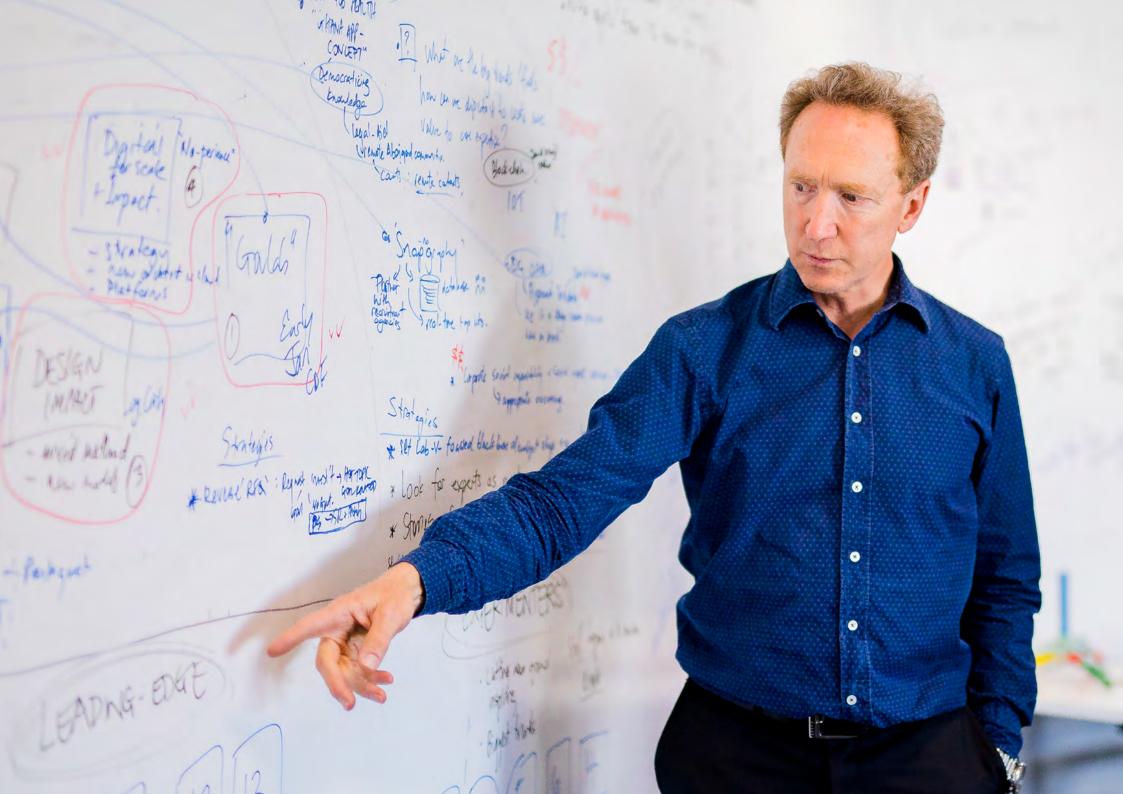
ThinkPlace's co-design approach with families and educators has been critical to the success of the project. The design team went back to some of the families who were involved in the research to get their ideas on what a new future would look like for them. The impact of continuing to engage and co-design with families who were interviewed has been powerful.

Our human-centered design approach has provided a method to turn ideas into meaningful change resulting in real systems changes and improvements in the lives of families in an under-resourced community.



Q&A with John Body, Founding Partner

ThinkPlace has made the decision to sign up to the United Nations' Sustainable Development Goals and to place those goals at the core of our work. We asked ThinkPlace founder John Body why.











SUSTAINABLE CITIES AND COMMUNITIES



CLEAN WATER AND SANITATION





Q&A

JB: The <u>Sustainable Development Goals</u> are 17 goals that apply equally to the developing and the developed world. The goals cover the world's biggest challenges including social, economic and environmental needs. Associated with each goal are strategies and indicators for success. The goals are ambitious and broad. In my work across many countries I am hearing frequent reference to the goals and am constantly seeing projects directed towards them.

Q: Why have we done this?

JB: The ThinkPlace strategic direction has evolved since the company was launched in 2005. As we worked on more and more projects we began to reflect on why some were rewarding and some were not. We could not get excited about a project where we did not agree with the outcomes.

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We discovered that those projects that had personal meaning and combined impact were much more satisfying than those without.

This was particularly evident when working with organisations to increase consumption of products or services that people did not need, or worse still, that were bad for them.

We wanted not just to be a strategic design consultancy, but one that focuses our efforts on public, shared or collective value. Public value is generally associated with the public sector. Shared value is generally associated with private sector initiatives that are commercially successful and also good for the wider community. Collective value is generally associated with value created by the community for the community. These terms served us well but we found they were not fully effective in sharing across the team the types of projects we would work on and the types of projects we would not work on.

Q: As a company, what does it mean in practical terms to sign up to these goals?

JB: The Goals have given much greater clarity about what is public, shared or collective value. Signing up for the goals influences the types of projects we work on. It also influences the way we run our company.

Q: Has adopting these goals meant that any changes needed to be made in how we work or the work we take on?

JB: Prior to signing up for the goals we experienced some tension about whether all our projects were contributing to a 'public value' outcome. We've found that since signing up for the goals this ambiguity has disappeared. Not only that, we have observed that our whole portfolio of work has shifted towards higher impact work because the whole team now acts to seek out such projects and screens out misaligned projects.

Q: ThinkPlace is a business and like any business it has a commercial imperative. What role do you see for companies and businesses in terms of making the world a better place?

JB: The more I work with major global and regional companies I am encouraged to see an increasing 'for purpose' agenda. This is deep in the DNA of some companies and more shallow in others. But companies are made up of individuals and individuals are neither fully good nor fully bad.

From the outside there can be a simplistic view that big business is bad. Bad for society, bad for the economy and bad for the environment. Obviously there is truth in some of this, sometimes. But taking this view can also be counter productive. There are good people inside every company. Working with them to nudge a company away from unethical practice towards ethical practice can be beneficial.

Obviously companies have to be profitable or they cease to exist. But increasingly, to achieve this profit companies are finding they must have social licence from the community to operate. We see when

companies damage their social licence it can have direct impact on their share price and revenues.

Being for purpose and for profit are not mutually exclusive. Increasingly customers will demand more from companies. Current and future employees will be attracted to companies with purpose. So it is good business to think beyond short term profit and create value that benefits all stakeholders.

Q: What would be your advice for other businesses or organisations who might be thinking of adopting these goals as a framework for what they do?

JB: Research the UN Global Compact for the Sustainable Development Goals. Determine whether your work can be aligned to the goals, or whether your practices can be changed to support social and environmental outcomes. All companies can do something. Elimination of food waste, reduced use of energy, better hiring and people management practices are examples for all businesses. Then there are specific areas depending on the company.

All companies can do something. Elimination of food waste, reduced use of energy, better hiring and people management practices are examples for all businesses.

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For example those involved in natural resources will have more scope to reduce environmental impact. Design and construction firms will have more scope on energy efficiency and social impact.

Making Global Impact



No Poverty

Auckland: Mapping the experience of poverty and reliance on food banks in Auckland.



Zero Hunger

Nepal, India and Indonesia: Partnering with a leading philanthropic organisation to tackle malnutrition.



Health and well-being

Cote D'Ivoire: Creating programs to expand HIV testing and treatment for at-risk men.



STATES OF

Decent Work and Economic Growth

Kenya: Helping develop micro-finance products for smallholder farmers in Kenya.



Quality Education

California: Improving literacy among First Nations and other communities in Del Norte County, California.



Industry, Innovation and Infrastructure

Singapore: Designing initiatives for the Singapore Government to support adults to engage with new technology with a positive mindset.



Gender Equality

Canberra: Designing a new engagement strategy for Australia's Workplace Gender Equality Agency.



Reduced Inequalities

Australia: Working to make the National Disability Insurance Scheme more accessible for marginalised groups.



Affordable and Clean Energy

Melbourne: Working with the Australian Renewable Energy Agency to co-design A-Lab: a renewable energy innovation laboratory.



Sustainable Cities and Communities

Sydney: Working with local government in Sydney to broker new conversations about the future of community and built environment.



FRANCE

FASO

Peace, Justice and Strong Institutions

Bhutan: Designing an E-Parliament for the nation of Bhutan.



Peace, Justice and Strong Institutions

Wellington: Co-designing a new and better way of designing policy for the New Zealand Government.



ThinkPlace Studios

We run eight studios spread across five countries including Australia (Sydney, Melbourne, Canberra), Kenya, New Zealand (Auckland, Wellington), Singapore and the United States of America.



ThinkPlace Making Global Impact

Countries where ThinkPlace has worked during the past 12 months.

Labour

Labour

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



What we believe

The fundamental principle that organises, drives and binds us together at ThinkPlace is collaboration. Ours is a workplace unlike other workplaces and has a structure unlike other workplace structures.

Central to this is the idea that every staff member – senior or junior – is a trusted collaborator. There is no top-down approach to industrial relations at ThinkPlace. Together we co-design the policies, values and structure that govern each of us as ThinkPlace employees.

Our structure is purpose-designed to avoid the kind of adversarial relations that can form between employer and worker, or between teams or colleagues, in more conventional structures.

To do this we have eschewed the idea of a traditional workplace hierarchy. Instead we favour networks of criss-crossing influence and

collaboration. Teams form and reform according to project needs. Senior and junior colleagues learn from each other.

Employees at ThinkPlace do not work for a boss. Instead, our "unboss" system allows each worker to select their unboss from a hat. These roles are-re-allocated every 12 months, forging new relationships and possibilities. The unboss is responsible for helping the employee navigate a world in which he or she has more than the usual degree of agency.

Each ThinkPlacer is empowered to shape their own future direction, to map their own career journey. But they will do so in a way that is supported and that provides them the skills to succeed.

How we show it

- Our Workforce Experience Manager is a point of contact for all staff wishing to have a say on how our studios and business operate
- Our pay structure is completely transparent.
 Everybody knows what level each of their colleagues is at and each level has a clear salary point. These salaries were arrived at by a consultative process, featuring involvement from staff at different levels.
- Progression through the levels is predictable, and is mostly based on experience and a nurturing idea of performance. We want our people to improve, grow and progress. Criteria are clearly spelled out and those who do progress are celebrated.
- All employees can raise any issues either collectively or independently – at a weekly all-staff meeting attended by all members of the executive. Where they are raised, such issues are taken extremely seriously.



Labour

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

What we believe

ThinkPlace takes this principle extremely seriously. Forced and compulsory labour are unacceptable anywhere in the world and contravene the most fundamental of human rights.

Given the nature of our work takes us to many developing nations, we are particularly aware of the risks and dangers associated with forced and compulsory labour.

Such unethical labour practices not only harm the workers involved – often drawn from among the most vulnerable in the societies they inhabit – they also deprive societies of the opportunity to develop skills and human resources, and to educate children who in later life will form the capable, ethically-developed labour markets of tomorrow.

These challenges are central to the ThinkPlace sense of purpose. Across, Asia, Africa and the Pacific we are engaged every day in projects that work to build and strengthen capabilities and equitable opportunities in developing nations and emerging labour markets.

At home we treat our staff fairly and well. We make them collaborators in a shared enterprise and we take a fully transparent approach to their responsibilities and conditions. We seek to hire and retain the very best people. They deserve the best treatment.

Under the ThinkPlace Global Network our offshore studios – though operating as separate business entities – are bound to adhere to the same ethical framework as our Australian business.

This ensures that the high standards we set at home travel with us when we embark on work in other nations, where workers are potentially more vulnerable to exploitation.

How we show it

- The ThinkPlace Ethics Screening Policy examines projects and partners for any transgressions of this nature before project contracts are signed.
 Significant doubts or questions around forced labour or unfair labour practices would be sufficient cause to void a project under this policy.
- ThinkPlace Australia employment contracts are written in accordance with Australian Labour laws and are written in plain English.
- ThinkPlace Australia's role in the ThinkPlace Global Network means studios in other nations must share the same level of commitment to responsible and ethical industrial relations as our Australian business,
- Under the ThinkPlace Code of Conduct, employees are duty-bound to report back to their manager if they have witnessed what they believe to be forced or compulsory labour as part of a project they are working on.





Labour

Principle 5 – Businesses should uphold the effective abolition of child labour

What we believe

At ThinkPlace we understand through our work and believe as a foundational principle that any real and lasting change in the world begins with young people and will be carried forward by them.

We trust and believe in the talents of coming generations to help create a better world than the one they have entered into. But in order to play their part and grow into being engaged, productive citizens, children must be given the freedom to be educated, to lead healthy lives and to participate in their community in ways that are constructive, productive and age-appropriate.

Child labour is a handbrake on this natural, healthy development process and we utterly oppose it having any place in our world.

We take responsibility as a change agent – working for new and better systems – and also as an actor in the current systems where we operate – to make sure we are not engaged in any exploitation of minors.

We strive to build a better future for all children, all over the world.

The international nature of our work means that staff are routinely operating in countries where there are not strong institutional safeguards to protect children.

We take our positioning in these locations extremely seriously and believe that we can be a force for positive change.

How we show it

ThinkPlace has clear and non-negotiable policies and principles in place around the protection of children. Many of these involve or are inclusive of child labour and exploitation.

As an organisation that carries out extensive fieldwork we take care to ensure that our methods and our very presence do not cause harm. As an organisation dedicated to co-design we also believe that hearing and including the voice of children in the design of systems that they will be a part of is important.

- Our protection of Children policy Protecting Children at ThinkPlace is published on our internal communications channel. All staff are required to be familiar with it.
- Material on how to identify and report child exploitation is included in the induction process for all staff.

Our recruitment and subcontracting processes Identify organisational Policy reviews risks Risk planning · Identifying risk Identify specific risks of harm · Education and awareness · Incident reporting Rapidly report incidents and · Concern reporting concerns Responsibilities **Ensure protection** · Acting on a report

- Our research policy for staff in the field, Conducting Safe, Ethical Research, is published on our internal communications channel. All staff conducting research in the field are required to read it.
- ThinkPlace also has a research manual, which provides detailed instructions on our fieldwork method and deals with issues of child exploitation and how to identify and avoid them.
- The ThinkPlace approach to conducting research with people in vulnerable situations is another document we have created that gives guidance to staff in this area.

Our work

In part, the conditions for forced labour or labour exploitation occur because family groups in developing countries lack the financial capital to be self-sufficient or build a business.

ThinkPlace has been involved in work that seeks to rectify this problem. We worked with Jamii Bora Bank, a micro finance bank in Kenya on the pilot launch of its new financial product, MazaoPlus, an asset finance and maintenance loan geared towards smallholder farmers. The product launch marks the culmination of a nine-month engagement for ThinkPlace, which partnered with Grameen Foundation and Jamii Bora Bank to carry out in-depth user research to inform the design and development of the new financial product.

The team spent weeks in the field, meeting with farmers and stakeholders in the agricultural value chain, to gather in-depth information about the product's intended customers and their needs. The team continued to engage end users to test the concepts and prototype the products to make sure that the final product would work.

The asset finance and maintenance product will enable farmers to own and manage an incomegenerating agricultural asset that will be sourced and financed by the bank. The pilot will initially focus on financing of dairy cows, followed by greenhouses and irrigation equipment.

Marketing this product to low-income farmers means going into the communities, engaging with farmers and building trust. Jamii Bora will also use community farmer agents, who are trusted members of the community, to promote the new product and help build a community of farmers that it can support through its financial and information services.

Labour

Principle 6 – Businesses should uphold the elimination of discrimination in respect of employment and occupation

What we believe

ThinkPlace takes a strong position on ensuring our workplace is free from discrimination. We have a longstanding policy of balancing our workforce to ensure men and women are evenly represented.

We embrace diversity, inclusion and gender equality. Our diversity strategy recognises the need for cultural diversity, inclusion and gender equality to be a considered part of our decision making. Discrimination can take place across a variety of areas, including gender, age, sexual orientation, religious or cultural affiliation and others.

We take great care to ensure not only that we do not discriminate against people along these lines but that our workplace attracts and holds a diversity comprising members of such groups. We also uphold and prosecute these values through our client work. For example, ThinkPlace is proud to be a design partner with the National Disability Insurance Agency. This important agency is introducing the 'generational reform' that is the National Disability Insurance Scheme.

The scheme enables many Australians living with a disability to play a greater and more fulfilling role in the national workforce. ThinkPlace is helping the NDIA to ensure that the scheme is inclusive for groups including LGBTQ+, Indigenous and other communities who are in danger of marginalization.

How we show it

- ThinkPlace has a 50/50 gender profile across our workforce. This is the case at each level of seniority, including our most senior designers. At least one third of our team are of non-Anglo Saxon background, and our age profile is also incredibly varied, ranging from graduates in their early 20s to people in their late 60s.
- This diverse group brings fresh and diverse perspectives to our client work and to our business decisions. It is an asset for a company based on collaboration.
- Our business advisers including our board are also formed from a gender and culturally diverse group. This is a recent renewal for our company and we are already seeing benefits such as natural bias in our executive team being challenged, new ideas on the table, and progression in areas that will make our company better performing.

- We build into our recruitment strategies targets for diversity and equality. This means we seek to attract and keep a good balance of diverse team members aligned to ThinkPlace values and purpose. As we review applicants, and as we seek out people in the market we know what we are looking for in terms of goals. This helps to enable positive discrimination for a business outcome.
- We look across our business value chain and seek out partners who can assist us to meet our commitment to diversity and inclusion. For example we have Indigenous and Aboriginal businesses supplying our catering and stationary. This is important to us because we believe in contributing to an economy that is diverse and inclusive.

Our work

Gender equality is an increasingly important issue in Australian workplaces. Employers understand that reducing the gender gap will increase their organisation's performance. They are looking for advice and initiatives that will improve the composition of their workforce so all their employees can thrive.

The Workplace Gender Equality Agency collects data about Australia's private sector workforce and provides advice, tools and education to employers. The Agency asked ThinkPlace to create a plan that will make their information more accessible for employers, increase its use and broaden its impact.

We began by speaking with Agency staff to find out how they managed and published their information. We then studied their website analytics to understand how the website was being used before asking the Agency's audiences and stakeholders about their needs.

We found that audiences and stakeholders used a wider range of the Agency's content than expected to learn and source inspiration for new initiatives. Working closely with staff, we helped the Agency translate the research insights into a vision for meeting these new and evolving needs for information. We then developed a digital roadmap that explained how to get there with clear and prioritised steps towards increasing the impact of the agency's content.

Staff responded to our workshops and focus groups throughout the project with positive energy and the digital roadmap was received enthusiastically by Executive, who are now working to implement the high priority recommendations.

With this plan in place, employers will be able to find the information they need to improve the gender balance in their workforce and the agency will be able to use its own resources to make greater impact.

Q&A with Darren Menachemson, Partner and Chief Ethicist

An ethical approach is key to the ThinkPlace culture. We sat down with the man charged with making sure we stay true to our principles.



Q&A

Q: So you're the Chief Ethicist at ThinkPlace. What does that mean?

DM: ThinkPlace's mission is to use design to have a positive impact on the world. Every day, every ThinkPlacer will make decisions that will have an impact on the broader community. The Chief Ethicist role - the CEthO - was created to make sure that those decisions align with our values.

Q: Why do we have a Chief Ethicist? How does this relate to our growth as a global operator as well as our guiding sense of purpose and identity?

DM: ThinkPlace works around the world, partnering with governments, NGOs and communities to design in some of the most complex, sensitive spaces in society. One week we may be designing a new regulatory program in Australia, the next researching barriers for new mothers trying to raise healthy babies in Kenya, and the week after we may

be prototyping a new service for vulnerable New Zealanders.

In work as complex and diverse as this, we will inevitably confront questions like "What should we do here?" Some of these can be resolved just by following ThinkPlace policies, and others are unique to a situation and mean that we need to go beyond our policy to do good and avoid doing harm. This ethical introspection starts right at the point where we choose to take on a project, or refuse it because we feel it will lead to a harmful outcome, and sustains at every point - from how we conduct research, to how we facilitate co-design conversations, to how we design new programs or services.

The Chief Ethicist helps by taking responsibility for making sure our policies are as helpful for ethics navigation as they can be, for getting people to grapple deeply with simulated ethical dilemma scenarios in preparation for their occurring in a real-world context.

Q: How did you arrive at this position? What makes you suited to it?

DM: I proposed the position at the same meeting where we collectively decided to shift our mission from "public good" to "public good focused on the UN's Sustainable Development Goals".

The executive was immediately and unanimously in favour of making it happen.

Q: Is this a position that is becoming more prevalent across the corporate world or is it an anomaly?

DM: We see some corporates weaving ethics strongly into their culture and their governance. Where this happens it has a powerful effect. On the other hand, we often see organisations relying on audit-style arrangements that feel more like legal and brand compliance.

Ultimately, the deeper your ethics are woven into your business, the harder it becomes to say "yes" to operating in a way that is harmful

to society or the environment. The truth is that businesses can be forces for good in the world and be commercially successful - it's not a trade-off, it's a design challenge. Shifting to a stronger ethical posture can inspire transformative "shared value" business models and innovative investments which can make a business more successful, not less. Appointing a CEthO is a major step in choosing to take this challenge on.

Q: Tell us about how ethics work at ThinkPlace. How do we ensure that projects we take on are making the world a better place and not causing harm?

DM: As my first action as CEthO, I brought a group together with membership from every ThinkPlace studio around the world to develop an approach to ethical screening. When we consider taking on a new client we conduct an ethics screen, which asks whether we may end up contributing to a harmful project, or supporting a harmful organisation or industry. Anyone can trigger an ethical screen, but if any ethical issues

are identified, they are raised with the CEthO who may take it to the executive. If we feel that the client or the project will represent a net harm on society, or if working with them would not be in keeping with our ethics and values, we say no.

We also establish an environment where, if a ThinkPlacer feels that on a project, they are being asked to participate in abetting a societal harm, they can raise the issue and this may result in our working with the client to deal with the harm, or withdrawing from the project. We try to prepare our people to respond to ethical issues in the right way. Several times a year, we run ethics

And personally, it lets me feel that I am taking personal accountability for the world I will leave behind for my daughter. That's important to me.

conversations for staff where we consider an ethical dilemma and discuss how we could and should react to it.

This is supported by an ethics framework that includes a code of conduct, and a number of policies and programs that ensure we work in an ethical way both on clients projects, and on internal projects.

Q: This is important to you. Why?

DM: Our work often places us face-to-face with people experiencing vulnerability. We find ourselves facilitating conversations with inspiring people who are actively working towards a better world. These are the voices that stay with us, demand more out of us, and help us be an advocate for and contributor to the public good.

And personally, it lets me feel that I am taking personal accountability for the world I will leave behind for my daughter. That's important to me.

Environment

Environment

Principle 7 – Businesses should support a precautionary approach to environmental challenges



What we believe

The nature of our business means we rarely directly face environmental challenges that require risk management in the face of uncertainty. Primarily our environmental responsibility occurs within a context of greater evidence and certainty about possible harm and environmental sustainability.

Nevertheless there is potential for engagement and improvement in this area. Our application of the precautionary principle could be improved through re-assessing our main suppliers and understanding the transparency of their supply chain with a view to environmental responsibility, low carbon and sustainable practices.

Where transparency does not exist, we should switch to suppliers that we can best deem environmentally sustainable.



How we show it

- ThinkPlace has a strong environmental policy in place. All staff are expected to be aware of it and to comply with it.
- ThinkPlace has not previously conducted an audit to determine the extent of the company's environmental impact. As part of preparing for this report it has been decided that such an audit would be beneficial.
- ThinkPlace already has a policy of preferring suppliers who have a better record on sustainability and environmental practices.
- We have increased our work with clients in the environment sector, and through that work we seek collaborative action in the face of uncertainty. Amplifying the precautionary principle could complement our approach in this sector, and indeed, a design approach could help find ways to implement a



precautionary approach that encourages action and innovation. A systems design approach can help avoid harm through divergent generation of alternatives and identifying harmminimised courses of action. This is something to explore further in the future.

Our work **WWF Designathon**

ThinkPlace works with partners around the world on projects aiming to advance the 17 UN Sustainable Development Goals. From Kenya to Canberra, we seek to build sustainable public value through collaborative design.

David Ireland, a Principal at ThinkPlace, judged a recent sustainable development goals <u>designathon</u> organised by WWF Australia.

Over three days, the event brought together entrepreneurs, investors, not-for-profits, and businesses to support and promote innovative, low carbon and zero carbon solutions to two of the challenges underpinning the SDGs: removing the barriers to uptake affordable, renewable energy for culturally and linguistically diverse and vulnerable communities in Australia; and securing future food systems by transforming the way consumers select their food at point of purchase.



More than 60 participants pitched 13 ideas for prizes including cash and entry into incubators and accelerators. Ideas ranged from youth education programs to rooftop and modular urban farming models. Almost as impressive as the ideas was the passion that the teams displayed for building a better, more sustainable future.

The scale and complexity of the SDGs require new approaches, like the designathon, to harness collective intelligence and resources and to mobilise large sections of the population.

Environment

Principle 8 – Businesses should undertake initiatives to promote greater environmental responsibility

What we believe

Our commitment to a better world is inextricably linked to a belief that it is our role and duty to promote greater environmental responsibility. We do this in two key ways.

- **1. Through our own internal practices.** The way we work, the products we consume, the systems we have in place for reducing, reusing, recycling or conserving resources.
- **2.The work we do.** ThinkPlace plays a leading role in advocating for greater environmental outcomes, helping to shape policy in this area and co-designing projects that accelerate the transition to a more sustainable future.

We are proud to support the <u>Rio Declaration on</u> <u>Environment and Development</u> and seek to live these principles in our own corporate behaviour and spread them globally through our work with clients.

Our client work adopts a design approach that has a bias towards action and collaboration in the face of uncertainty. It asks 'what if?', and 'how might we' achieve a vision of a sustainable environment and low carbon energy future. And where in the system can we best intervene or innovate. Examples include:

- A-Lab: catalysing projects that seek crosssectoral collaboration to increase renewable energy uptake
- Collaboration with the environment sector relating to environmental management, biodiversity, and regulatory frameworks.
- Consumer-centred innovation across the energy sector
- Improving data access for environmental policy development

How we show it

ThinkPlace operates three studios within Australia. The largest of these is our Canberra studio. Since ThinkPlace moved to new premises at the start of 2017, we have increased our efforts to operate more sustainably in the following ways:

- Purchasing from local suppliers
- Using supplies that have minimum packaging or the ability to be recycled
- Using suppliers who have active and ongoing sustainable use policies

We are members of the ACT Government's ACTSmart business recycling program, and currently manage all our office waste responsibly: sorting into organic, recyclable and landfill items. As members of this program, our staff were asked to undertake a brief online training module explaining how recycling in the ACT works, and what individuals can do to operate more sustainably.



We continue to positively reinforce this message by reminding staff about what is/isn't recyclable.

- Staff are encouraged to use bicycles to get to/ from work, and our building has good end-of-trip facilities. We are investigating the purchase of electric bicycles which would be for travel to/from local meetings, instead of driving or using taxis.
- Where possible, we re-purpose, sell or giveaway unwanted office furniture or equipment.

Growing presence, careful footprint

Our recent story has been one of growth. ThinkPlace is expanding in terms of turnover and workforce size. We are also expanding geographically.

During the past year we have added a new studio in Melbourne, Australia – bringing our global presence to a total of eight studios across five countries.

Opening a new studio has the potential to dramatically increase our environmental impact. It increases the space we occupy, the energy we use and requires resources and materials for fit-out, furniture and technology.

When planning this new studio we have constantly sought to place environmental impact at the centre of our thinking. As we expand our business and our reach, we want to ensure that our environmental footprint gets proportionally smaller.

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Measures taken to enact this include:

- Using almost 100 per cent recycled or existing furniture.
- Installing double glazing on all windows to minimise electricity use
- Creating a public transport first policy. For all short trips within the area, public transport or walking is to be used instead of taxis or Uber.
- Installing white board walls around the studio in order to minimise paper use.
- A policy of selecting building materials that are sustainable and have low environmental impact.

Environment

Principle 9 – Businesses should encourage the development and diffusion of environmentally friendly technologies

What we believe

ThinkPlace is a rapidly-growing company that is founded with a declared goal of designing for the public good. This sense of purpose is further demonstrated by the company's adoption of the United Nations Sustainable Development Goals as our own organisational objectives.

We acknowledge the importance of limiting environmental impact for a company, like ours, that strives to be an ethical operator in a global marketplace.

ThinkPlace is predominantly a services provider. We work with clients to design innovative solutions to their complex problems. In this way we are well-placed to make an impact encouraging and facilitating the broader adoption of environmentally-friendly technologies outside of our four walls. Our very existence is based on encouraging clients to act in ways that create public good.

During the past 12 months we have led many projects in the area of digital transformation. This is a core part of our business. As such, we are committed to introducing innovations that vastly improve connectivity and communication within complex systems and organisations.

This results in a diminished use of paper and other physical resources (as key processes are digitally transformed) and a corresponding diminished requirement for travel. At the same time we have striven to reduce our own footprint through our use of digital technology.

Our geographical footprint makes this a challenge at times. Wherever possible, we use video conferencing to carry out meetings with staff in other locations. Our use of air travel remains higher than we would like but has decreased proportionally as the size of our workforce has grown.

How we show it

- ThinkPlace has an Environmental Policy that specifies the nature and extent of our commitment to sustainability. All staff are expected to be familiar with it.
- We are currently in the process of introducing a new system for assembling the teams of consultants who work on each client job.
 The new system aims to assemble teams based around an objective assessment of core competencies, availability and location, removing some of the human preferences that drive team selection currently. This should result in a more efficient distribution of staff, further reducing the need for air travel.
- Our monthly, all-day Executive meeting has been identified as a key source of air travel that can be reduced without negative effect. As a result this meeting has been restructured and will now take place via digital technology.



 Our studios are not just workplaces for our people; they are venues that host more than 30,000 clients and visitors each year. Within this context there is significant scope to not only reduce impact but to demonstrate leadership. Our studios make use of recycled furniture, and our guests are served locally and sustainably sourced food. We provide water in recycled, glass receptacles and do not supply guests with single-use bottled water.

- We have identified principles 7, 8 and 9 as areas where ThinkPlace can make a significant improvement in the coming year. Our membership of the Global Compact has been instrumental in reaching this conclusion.
- ThinkPlace has resolved to conduct an independent, external audit of our environmental footprint during the next 12 months. This will help us to identify areas where we are performing in line with our values and aspirations, as well as areas where there is room for improvement.



Our work **A-Lab**

Renewable sources of energy are essential to a sustainable future. Bringing more renewable energy onto the grid has, however, been challenging. Technical, regulatory and commercial factors often pull in different directions, slowing the adoption of cleaner sources of energy. Change requires coordinated effort between government agencies, energy companies and innovators with exciting new technologies.

The Australian Renewable Energy Agency works to accelerate this change and bring the best renewable energy ideas to life. An Australian government body, ARENA funds new technologies and shares knowledge about renewable energy.

ARENA partnered with ThinkPlace to stimulate more collaborative innovation and reduce

fragmentation in the energy sector. We brought together innovation experts with a wide range of industry stakeholders, to come up with new ways to adopt more renewable energy.

The result was A-Lab, ARENA's innovation lab. A-Lab draws on a network of people with a range of expertise to make systemic change. It includes not just industry representatives but also customers and other related sectors.

This diverse range of stakeholders co-designed A-Lab. We developed an Innovation Model and the concept of innovation frames, tangible and tactical programs of work, to guide new creative solutions.

A-Lab is working right now, engaging electricity sector players and generating new initiatives.

Through A-Lab, people work together towards an affordable, reliable and low carbon electricity ecosystem of the future.

By bringing together people from diverse backgrounds, projects that are developed through the A-Lab are innovative, collaborative and connected.

This diverse range of stakeholders co-designed A-Lab. We developed an Innovation Model and the concept of innovation frames, tangible and tactical programs of work, to guide new creative solutions.



Q&A with David Ireland, Head of Innovation

At ThinkPlace our mission is to innovate with purpose. We pursue new and better ways of doing things: for ourselves and for our clients. That process is driven across the organisation by all staff, joining in our shared, declared values and purpose. Global Innovation Lead Dr David Ireland has specific responsibility for balancing innovation with sustainability and public good.



Q&A

Q: David Ireland, you're the Head of Innovation at ThinkPlace. What does that involve?

DI: It means helping ThinkPlace people thinking differently, to think creatively, and to be open to trying new methods and approaches. It also means helping to find new services and products that we can build up into new value creating offerings for our clients and for use internally.

Q: Why is innovation important to ThinkPlace? How does it sit with our guiding sense of purpose and identity?

DI: Innovation is about doing something new that creates value. With our mission, our version of innovation is about doing something new that creates a better future for people. The types and complexity of the problems we're trying to solve require new approaches. The old Einstein quote – we can't solve our problems with the

same thinking we used when we created them – is so apt in our setting. We need innovation to find new approaches to solving old and/or big problems. And the type of innovation we do allows us to experiment in ways that are low risk, so we're not betting the house on something without first running a few experiments to build our confidence that it is going to work.

Q: How did you arrive at this position? What skills and background do you bring to it?

DI: It sounds silly, but I've been building solutions to problems for ever. My first attempt at a company was as a late teenager, when I tried to establish a business for back packers coming through business looking for work, and I've been doing it ever since. In fields as diverse as aquaculture, digital, agriculture, oil and gas, medical, and finance. I've also got a dual PhD in medicinal chemistry (where I was designing and building anti cancer

drugs) and innovation (looking at how new tech firms grow). I've also been the General Manager of Innovation and International at CSIRO. That's my experience, but in terms of skills, it is a mindset, a willingness to try and fail, and a focus on creating value for the customer.

Q: Innovation is an area that now has its own language, its own tools and its own philosophy. How confident are you that we can use ideas like technical disruption, entrepreneurship and design thinking or tools like sprints, pitches and hackathons to create a better future state?

DI: Everything is a buzzword if there isn't substance behind it. You can download a methodology on anything from the internet, but the skill is in knowing what and when to apply it. I'm not a particularly big fan of hackathons, for example, but in the right circumstance, they can be really effective. The problem is that most of the time people use them as they don't have any better idea. Having said that, it is important to build a common understanding of language so we all know what we're doing and meaning.

...but in terms of skills, it is a mindset, a willingness to try and fail, and a focus on creating value for the customer.

Q: Should this kind of role be more prevalent? What can companies gain by having a Head of Innovation as part of their leadership? How has ThinkPlace benefited from it?

DI: Yes. The problem is that innovation isn't understood well. You are seeing varieties of it popping up, but by and large, companies are still in the same mindset of other than a CEO it is a COO ie. Operational focus on today as opposed to thinking about the future and what we could do differently to create that better future for us and our clients.

Anti-Corruption

Anti-Corruption

Principle 10 – Businesses should work against corruption in all its forms, including extortion and bribery



What we believe

ThinkPlace takes particular pride in having a strong, uncompromising leadership position in the area of fighting and resisting corruption.

We see corruption, in its many forms, as a root cause behind much of the suffering and disadvantage in the world today.

This is particularly the case in parts of the world that have weak, compromised or simply nascent institutions. Helping to design, improve and develop stronger government and non-government institutions, and a culture of respecting them, is an important focus of our work.

As an organisation we have zero tolerance for corruption. It is a fundamental, non-negotiable position and we uphold it as a matter of conscience.



How we show it

- ThinkPlace supports the *United Nations* Convention Against Corruption.
- Our company Ethics Policy stipulates mandatory reporting for any staff who are approached or who witness corrupt activity.
- ThinkPlace Code of Conduct spells out how each employee must conform to strict standards of behaviour in this area. Each ThinkPlacer is responsible for upholding the best version of our collective values.
- Penalties for corrupt behaviour are termination of employment and the immediate involvement of appropriate law enforcement agencies. This is communicated to staff in policies, during training (including induction) and is also stipulated in employment contracts.







Supports UN Convention Against Corruption **Code of Conduct**

Staff Training

- Extensive ethics training sessions are held for all staff every six months. These sessions include both re-education around ThinkPlace policies as well as scenario-based training to help identify and avoid corruption triggers and situations where vulnerability to corruption arises.
- Another policy: Can I accept that gift? Places upper limits of \$50 on any gifts that can be accepted during work in the field. Gifts above this amount must be refused and the overture must be reported.

 ThinkPlace is committed to ensuring we do not inadvertently work with others who are engaged in corrupt behaviour. Our thorough and systematic ethics audit of every project includes examining partners and ensuring they meet our expectations as ethical operators.

Managing corruption and conflict of interest at ThinkPlace

