

UN GLOBAL COMPACT COMMUNICATION ON PROGRESS 2018

Statement of continuing support July 2018



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We are pleased to introduce Neighbourly's Communication on Progress for the United Nations Global Compact (UNGC). Neighbourly reaffirms its support of the Ten Principles of the UNGC in the areas of Human Rights, Labour, Environment and Anti-Corruption.

Neighbourly's ambition is to be the all-in-one platform that makes it easy for any company to 'activate its social purpose at scale'. That means all contribution in one place, an empowering tool to get colleagues involved and ultimately, a place to encourage and inspire customers and citizens to join with you as your business leads the change we want to see in the world.

The world's most responsible brands (Danone, Marks & Spencer, The Body Shop, Starbucks, Heineken, LIDL etc) share that ambition and we're proud to call them partners.

Since 2016 the Neighbourly platform has categorised, tracked and measured all Corporate Community Giving using the Sustainable Development Goals. Each of the 7,500+ charities and community projects listed on Neighbourly are linked to the SDGs, giving an overview of the total contribution of businesses using Neighbourly within the framework of the Goals.

Neighbourly is a founding UK 'B Corporation' member which acts as a global identifier for socially responsible business. It is given to for-profit organisations that meet rigorous standards of social and environmental performance, accountability and transparency.

Our Code of Ethics underpins everything we do as a business. As a founding member of the UK B-Corp movement we will promote the values of business as a force for good, demonstrate our responsibility to people and planet, and create shared value with all our stakeholders. We welcome feedback on our work and commit to learn from this.

In this annual Communication on Progress, we describe our actions to continually improve the integration of the Global Compact and its principles into our business strategy, culture and daily operations.

We also commit to sharing this information with our stakeholders using our primary channels of communication.

Nick Davies

Founder

Steve ButterworthChief executive Officer

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 team at
Neighbourly have set
out our commitment to
human rights through a
range of internal and
publicly available
documents.

Our Employee Handbook is issued to all new starters and is available to all staff on an ongoing basis.

We follow a Responsible Sourcing Policy and Assessment Framework when collaborating with partners and suppliers.

Finally, our Ethics Policy is available to the public through our website. These all include references to our observance of and commitment to the UN Human Rights Charter and principles of the UN Global Compact.

As a small, single-site business with few external suppliers there is negligible risk that any human rights violations will take place within our ecosystem. However, we take a number of steps to ensure that our business activities deliver a positive impact on our employees and ensure that we only work with clients and suppliers that support and respect the protection of internationally proclaimed human rights.

Our Employee Handbook is underpinned by the Human Rights Act 1998. In this document, we set out clearly to all employees that it is essential that all members of Neighbourly behave with dignity, courtesy and respect and to act in a non-discriminatory manner at all times and with all stakeholders. This is particularly important at Neighbourly because a significant component of our work requires daily liaison with socially vulnerable and disadvantaged community groups who need and deserve our respect and support. The Handbook also outlines our whistleblowing policy and grievance procedures that ensures employees are familiar with how to raise concerns about staff treatment or any other aspect of their work.

Based on our commitment to human rights, we have set out in our publicly accessible Ethics Policy the principles for a code of conduct that we expect to be followed by the businesses, charities and community projects we work with.

To ensure our suppliers operate within our Responsible Sourcing Policy and Assessment Framework we operate a Responsible Sourcing Policy which is designed to inform the purchasing decisions of the Neighbourly team when selecting a supplier. This Policy sets out the principles and processes by which we will assess the credentials of prospective suppliers. The Assessment Framework we use has been developed on the basis of the United Nations Global Compact.

Our Responsible Sourcing Policy and Assessment Framework also specifically sets out that we will not tolerate child labour or any form of modern day slavery in our suppliers. We reserve the right to terminate arrangements with any organisation not complying with these principles.

Labor

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; Neighbourly believes its employees are its greatest asset and recognises its responsibility to ensure they are afforded appropriate development throughout their employment. We value and encourage diversity and difference and believe that we are a stronger company as a result.

Our aim is to support and develop employees

As a small UK company specialising corporate purpose activation the risk of our having a detrimental impact on labour rights is relatively low. Nevertheless we consider robust labour practices as fundamental for attracting, developing and retaining the talented people that make us leaders in our field. Moreover, we attach importance to proactively encouraging positive labour practices across the UK through our work with clients, partners, supply chain, and indeed our investors. As a certified B Corporation we screen all our partners and suppliers to the same standards to which we aspire.

Neighbourly has a comprehensive Employee Handbook including diversity and dignity at work, flexible working arrangements, grievance procedures and whistleblowing, alongside health and safety in the workplace and clear terms and conditions of employment. The Handbook details the processes and procedures by which all employees can expect their rights to be respected and their recourse were they to wish to raise concerns.

Labor

Principle 5

the effective abolition of child labour; and;

Principle 6

the elimination of discrimination in respect of employment and occupation

in their role so that they feel confident to undertake the responsibilities placed upon them and ultimately are able to contribute to the success of our mission. Our Ethics Policy publicly sets out our responsibility to each other:

- We will at all times treat our colleagues with dignity and respect.
- We will work as a team, encourage collaboration, recognise the strengths of our differences, and support each other to achieve our shared goals.
- We will not tolerate discrimination, harassment or victimisation.
- We will embrace the value of diversity in recruitment and dealings with employees.
- We will value openness and honesty and encourage our employees to raise ethical concerns.
- We will at all times conduct ourselves in a manner which brings credit to Neighbourly and our partners.

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 environmental ly friendly technologies

In line with our B-Corp status, we seek to reduce the environmental impact of our own business and provide services to help corporate organisations reduce theirs too. Our work involves helping businesses use their scale for good by tackling current and future social and environmental challenges facing society in all the communities where they operate. We have been working to increase awareness of and change behaviour around environmental issues since the Neighbourly platform went live in summer 2014 and have had some remarkable successes with international brand

We operate 'Neighbourly Food', a food surplus redistribution programme. We are a signatory of the Courtauld 2025 commitment and work closely with WRAP (the Waste and Resources Action Programme) to develop our work in this area. We measure the reduction in CO2 from food and product donations made through our platform.

Our food surplus redistribution programme has redistributed over 5.6 million meals that would have otherwise gone to waste and this has led to saving over 6,500 tonnes of CO2. Our work in this area was recognised by the National Recycling Awards, winning the category for Food Waste Initiative of the Year 2017.

Our Responsible Sourcing Policy, Handbook and Assessment Framework not only ensures that suppliers adhere to our environmental principles, but also is geared to give preference to suppliers who we determine meet higher social and environmental standards. For example, our stationary supplier was specifically chosen for its environmental credentials.

Our offices offer facilities for waste recycling and we actively encourage staff to use these.

We also have a formal policy in place to reduce the environmental footprint caused by commuting.

Anti-corruption

Principle 10

Businesses should work against corruption in all its forms, including extortion and bribery Our ethical policy sets out that we will not accept favours or bribes or allow personal affiliations to influence the award of contracts.

campaigns already.

Our Employee Handbook outlines the relevant policy and grievance procedures so that employees are familiar with how to raise concerns about any form of corruption arising in the context of their work.

Our expenses policy and itemised process ensure clear oversight of all financial transactions.



Contribute

A friendly place where people and companies come together to work on community projects

Re-connect

Where people come to re-discover what it means to be neighbourly and join the fight for a better world

Celebrate

Where collaborators share inspiring stories to help unlock the abundance of potential in our communities



