



# Nextgen Clearing UN Global Compact Communication on Progress

<b>Document Classification:</b>	<b>Internal Use</b>
<b>Document Ref.</b>	<b>IMS26008</b>
<b>Version:</b>	<b>1.1</b>
<b>Dated:</b>	<b>06 November 2018</b>
<b>Document Author:</b>	<b>Chris Walker</b>
<b>Document Owner:</b>	<b>Compliance</b>
<b>Applicable Region:</b>	<b>Global</b>



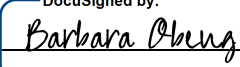
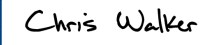
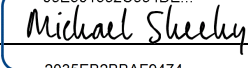
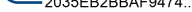
## Revision History

Version	Date	Revision Author	Summary of Changes
V0.1	12 <sup>th</sup> Oct 17	Chris Walker	Draft Version
V1.0	6 <sup>th</sup> Nov 18	Chris Walker	Various updates and amendments
V1.1	6 <sup>th</sup> Nov 18	Barbara Obeng	Update from HR

## Distribution

Name	Title
All Nextgen	All Employees and Interested Parties

## Approval/Reviewed

Name	Position	Signature	Date
Reviewed Barbara Obeng	HR Manager	 DocuSigned by: Barbara Obeng	05-Dec-2018
Reviewed Chris Walker	Head of Compliance	 DocuSigned by: Chris Walker	05-Dec-2018
Approved Mike Sheehy	CEO	 DocuSigned by: Mike Sheehy	10-Dec-2018
			



## Contents

<b>1</b>	<b>CEO'S STATEMENT OF CONTINUED SUPPORT FOR THE GLOBAL COMPACT .....</b>	<b>4</b>
<b>2</b>	<b>NEXTGEN CLEARING AND THE GLOBAL COMPACT .....</b>	<b>5</b>
2.1	CONTROL RISKS AND THE UN SUSTAINABLE DEVELOPMENT GOALS .....	5
<b>3</b>	<b>HUMAN RIGHTS.....</b>	<b>6</b>
3.1	OUR POLICY COMMITMENT .....	6
3.2	PEOPLE AND PROCESSES .....	6
3.2.1	Human rights risk and impact assessment .....	6
3.3	TRAINING.....	7
3.4	INTERNAL WHISTLEBLOWING PROCESS .....	7
3.5	PLANS FOR 2018-19 .....	7
<b>4</b>	<b>LABOUR .....</b>	<b>8</b>
4.1	OUR POLICY COMMITMENT .....	8
4.2	PEOPLE AND PROCESSES .....	9
4.2.1	Internal employment practices .....	9
4.2.2	Relationship with subcontractors and suppliers.....	9
4.2.3	Activities .....	9
4.3	PLANS FOR 2018-19 .....	10
<b>5</b>	<b>ENVIRONMENT.....</b>	<b>11</b>
5.1	OUR POLICY COMMITMENT .....	11
5.2	PEOPLE AND PROCESSES .....	11
5.3	PLANS FOR 2018-19 .....	12
<b>6</b>	<b>ANTI-CORRUPTION .....</b>	<b>13</b>
6.1	OUR POLICY COMMITMENT .....	13
6.2	PEOPLE AND PROCESSES .....	13
6.3	PLANS FOR 2018-19 .....	13



## 1 CEO's statement of continued support for the Global Compact

I am pleased to reaffirm Nextgen Clearing's continuing support for, and commitment to, the UN Global Compact.

We express this support through our policy commitment, our work with our clients and our thought leadership, all of which are covered in this report. This is our first Communication on Progress.

We are committed to the Global Compact Principles, and we believe that business has an important part to play in helping achieve the UN Sustainable Development Goals (SDGs). As noted later in this report, we believe that Nextgen Clearing makes a distinctive direct contribution to the SDGs in the fields of anti-corruption and good governance. At the same time, we contribute indirectly, by enabling our clients to operate safely and responsibly in unpredictable operating environments, and thus to make their own contributions, for example to the SDGs with regard to infrastructure development and communications.

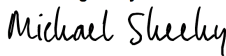
In the coming year, we will develop further training and risk assessment procedures to support and reinforce the practical implementation of our human rights and client engagement policies. We will also continue to play our part in the promotion of professional standards in the international Mobile Telecommunications industry.

We continue to apply the Global Compact's labour principles through our commitment to our own employees and in our relationships with external suppliers.

In the environmental arena, we have made a concerted effort to reduce workplace waste, for example by making greater use of recycled paper and introducing or enhancing recycling programmes. In London we have consolidated our head office space and in Bishop's Stortford we've reduced from 3 offices to 2, thus shrinking our greenhouse gas input. In Leicester, we have closed the office there and consolidated our operations on London and Bishop's Stortford.

At a global level, our Environmental Policy is being incorporated into our regular e-learning course cycle, which also covers health and safety.

I look forward to reporting on our progress next year.

DocuSigned by:  
  
2035EB2BBAF9474...

Michael Sheehy

CEO



---

## 2 Nextgen Clearing and the Global Compact

Nextgen Clearing formally signed up to the UN Global Compact in January 2018, and is committed to embracing, supporting and implementing its ten principles.

We believe that these are fully compatible with our own values and aspirations. We therefore value our association with the UN Global Compact network of companies across the world.

### 2.1 Control Risks and the UN Sustainable Development Goals

We recognise the important role that business will play in advancing the UN Sustainable Development Goals (SDGs).

In our capacity as a mobile financial and data clearing house working across a multitude of countries, we believe that our own first contribution to the SDGs is to serve as an enabler. By helping our clients to manage their clearing services, we make it possible for them to focus on their core expertise in delivering mobile telecommunications to its country's population and thus to make their own direct contribution to the achievement of the SDGs. In this regard, we believe that our contribution is especially important in cities and regions that are affected by conflict, or characterised by poor governance.



### 3 Human Rights

Principle 1	Businesses should support and respect the protection of internationally proclaimed human rights
Principle 2	Make sure that they are not complicit in human rights abuses

#### 3.1 Our policy commitment

Nextgen Clearing's commitment to the UN Global Compact's principles on human rights is expressed in our Corporate Social Responsibility Policy, which states:

**Human Rights.** Our company is dedicated to protecting human rights. We are a committed equal opportunity employer and will abide by all fair labour practices. We'll ensure that our activities do not directly or indirectly violate human rights in any country (e.g. forced labour).

We elaborate on this commitment in a further policy document, our Human Rights Policy. Both the Corporate Social Responsibility Policy and the Human Rights Policy are available on our website ([www.nextgenclearing.com](http://www.nextgenclearing.com)).

Our Human Rights Policy makes specific reference to the United Nations Universal Declaration of Human rights (UNUDHR), the International Labour Organisation's (ILO) core labour standards, the United Nations Global Compact and the United Nations Guiding Principles on Business and Human Rights

#### 3.2 People and processes

##### 3.2.1 Human rights risk and impact assessment

During 2018 we are revising our policy on Client Implementation and Project Risk Management. One of our main tasks for 2018-19 will be to ensure that the changes are fully understood and applied in all relevant parts of the business.

The revised policy is split into two sections: 'Acceptance and Engagement' and 'Project Implementation'. Under 'Acceptance and Engagement', we emphasise that client managers must include an assessment of human rights risks as part of a broader review before taking on new customers.

For routine tasks, this assessment may be informal. However, a written assessment is required for assignments that are ethically sensitive or operationally complex.

We maintain country-level risk registers as an established part of our broader risk management processes. From now on risk registers will be mandatory for assignments where the pre-acceptance review process has identified significant risks, including ethics-related risks. All risk registers will now include a column summarising our assessment of the human rights risks to external stakeholders.



---

### 3.3 Training

We aim to introduce human rights in our various training programmes, from employee induction onwards. We are planning to introduce a human rights training as part of our programme of e-learning courses.

### 3.4 Internal whistleblowing process

Our people can make an anonymous report if they suspect that a Nextgen Clearing employee is engaged in unacceptable or inappropriate conduct in relation to human rights or any other ethical issue, and they feel unable to raise the issue with their line manager.

### 3.5 Plans for 2018-19

In the year ahead, we plan to:

- Roll out the revised human rights internal training programme across the company, with a focus on the practical implementation of the Client and Project Risk Management Policy.



## 4 Labour

Principle 3	Business 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
Principle 6	the elimination of discrimination in respect of employment and occupation

### 4.1 Our policy commitment

Commitment to People is one of Nextgen Clearing's four core values. We are committed to providing opportunities for our people to develop, achieve their professional aspirations, and enjoy successful and rewarding careers within the company. This commitment is reflected in our human resources policies, systems and activities across our offices.

Diversity is a key element of our human resources strategy. Nextgen Clearing aims to create an environment that welcomes and respects the different perspectives of all our people, as well as those of our clients and our suppliers. Nextgen Clearing's values of being a Winner, an Owner, a Trooper and an Innovator. Through these principles we aim to be an aspiring business for people to join and be associated with.

We are committed to ensuring that our people are consulted about any changes to the business that will have an impact on their employment and have various forums of communication like regular Townhall meetings and Newsletters to aid communication

In compliance with the UK Modern Slavery Act 2015, Nextgen Clearing publishes our statement on the steps that we are taking to prevent and ensure that slavery and human trafficking do not take place in our own business or supply chain.

The following statements are extracts from our human resources policies:

- The Company values the diversity of the people with whom we work and the contributions they make. We have a long-standing commitment to equal opportunity and intolerance of discrimination and harassment.
- We are dedicated to maintaining workplaces that are free from discrimination or harassment on the basis of race, sex, colour, national or social origin, religion, age, disability, sexual orientation, philosophical belief, political opinion or any other status protected by applicable law. The basis for recruitment, hiring, placement, training, compensation and advancement at the Company is qualifications, performance, skills and experience.
- Regardless of personal characteristics or status, the Company does not tolerate disrespectful or inappropriate behaviour, unfair treatment or retaliation of any kind. Harassment is unacceptable in the workplace and in any work-





related circumstance outside the workplace. These principles apply not only to Company employees but also to the business partners with whom we work.

## **4.2 People and Processes**

### **4.2.1 Internal employment practices**

Of the four labour principles in the Global Compact, Principle 6 on non-discrimination is the one that applies most directly to Nextgen Clearing's own operations, and this emphasis is reflected in our systems and activities. We have systems in place to ensure that any issues arising on, for example, discrimination, bullying or harassment are dealt with fairly and objectively.

These systems are set out in our Grievance and Work policies and processes.

Nextgen Clearing constantly strives to improve performance management to ensure that we manage and develop our people consistently and in line with our values.

We set high standards for our people, and we offer structured training and development programmes designed to help people at all levels meet those standards and achieve their full potential. We aim to develop our people by giving them access to learning opportunities and empowering them to manage their own careers within the company. Training and development take the form of e-learning, residential and non-residential courses and workshops run internally and externally, regional training workshops, and management programmes.

### **4.2.2 Relationship with subcontractors and suppliers**

As a financial and data clearing company, we employ trained professionals with specific skillsets and qualifications, meaning the issue of forced or child labour does not arise in our own operations. By extension, we believe that the risk of exposure to such practices in connection with our relationship with suppliers and subcontractors is minimal. However, we are in the process of incorporating awareness of modern slavery issues into our internal training courses, where relevant. This is to ensure that our employees remain alert and understand their responsibility to escalate any concerns.

In accordance with our Sustainable and Ethical Procurement Policy, the company vets its subcontractors before engaging them, and expects them to abide by our Anti-Corruption Policy and Code of Ethics when working on the company's behalf, including our principles on labour practices.

We are in the process of developing a formal policy of supplier management and supplier vetting procedures. These will address elements of the company's compliance regime, such as maintaining the privacy of personal data (e.g. as defined in the EU General Data Protection Regulation) and fulfilling our duty of care to our employees, as well as matters of the supplier's integrity and ethics.

### **4.2.3 Activities**



Nextgen Clearing has reviewed and introduced values of being a Winner, an Owner, a Trooper and an Innovator. Through these principles we aim to be an aspiring business for people to join and be associated with, which sets out our commitment to our people. We constantly strive to deliver on this commitment through our activities:

### **4.3 Plans for 2018-19**

In the year ahead, we continue our commitment to our employer vision, and will be specifically implementing and embedding the following initiatives:

- Continue to ensure access to development and learning opportunities.
- Launching phase one of formal technical training for all our employees based in the different service lines globally across our business.
- Further embedding those skills that support a high-performance culture around giving and receiving feedback and setting objectives and behaviours associated with our values
- Programmes to support some of our key business management initiatives, such as commercial skills and leadership training.
- Continue to enhance our positioning to a diverse range of potential applicants through supporting recruitment and on-boarding material.



## 5 Environment

Principle 7	Business should support a precautionary approach to environmental challenges
Principle 8	undertake initiatives to promote greater environmental responsibility;
Principle 9	encourage the development and diffusion of environmentally friendly technologies

### 5.1 Our policy commitment

Nextgen Clearing's commitment to the environment is outlined in the environmental aspects of our Health, Safety and Environmental Policies, and includes the following statements:

- Nextgen Clearing is committed to protecting the environment.
- Nextgen Clearing will comply with all applicable environmental laws and standards in each location where it operates.
- Nextgen Clearing has identified three key areas of environmental focus, and is committed to monitoring, evaluating and reviewing its performance in these areas across all operating locations.

Our three areas of focus are:

1. Reducing workplace waste by cutting consumption and increasing recycling of office materials.
2. Shrinking greenhouse gas output by increasing energy efficiency and reducing the carbon intensity of our operations.
3. Promoting environmental sustainability in our employee, supplier relationships. In this context, Nextgen Clearing will brief its employees and suppliers on its environmental commitments.

### 5.2 People and Processes

Our policy allocates specific areas of responsibility to help ensure that the company meets its targets on environmental management.

A member of our Leadership team sponsors and champions environmental management within the company. The Leadership team reviews the company's progress in our three areas of focus on an annual basis, and confirms that these continue to reflect the company's goals.

The CEO puts in place environmental initiatives for all offices in line with the policy and local legislation. Regional environmental champions coordinate and promote the company's approach to environmental management in Nextgen Clearing's offices in their region. The champions work with environmental representatives in each office.

Nextgen Clearing's Corporate Social Responsibility Policy allows our people to engage in a voluntary activity, project or charity, several of which include environment initiatives.



Our Environmental Policy is included in our global induction programmes for people joining the company.

Compliance with applicable environmental legal and regulatory requirements is included in our internal audit process.

### 5.3 Plans for 2018-19

During 2018-2019, we intend to focus on two main areas:

Continuing to reduce waste and our impact on the environment

We will achieve this by:

- In India, we will reduce waste in each office by replacing rubbish bins with recycling bins in all of our offices where possible. We will also run plastic-free competitions to reduce the amount of plastic used by our employees.
- In UK, we will also continue to reduce waste by replacing rubbish bins where possible and introducing recycling bins where we do not currently have them.
- we have switched to glass milk bottles in BIS to reduce plastic waste
- Initiatives to paperless office

Supporting local communities

We will begin to focus on how we can help vulnerable communities by committing to four key projects run by our Indian environmental champions. These projects will aim to support a local community by providing them with computers that are no longer required by the company and to introduce work experience to allow young people the opportunity to experience working in an office environment.



## 6 Anti-Corruption

### Principle 10

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

### 6.1 Our policy commitment

Nextgen Clearing's commitment to the Tenth Principle is expressed in our Anti-Bribery and Anti-Corruption Policy, which is available on our external website and states:

Nextgen Clearing is committed to maintaining the highest ethical standards and vigorously enforces the integrity of its business practices wherever it operates throughout the world. Nextgen Clearing will not engage in bribery or corruption.

The policy makes specific reference to the UK Bribery Act and the US Foreign Corrupt Practices Act (FCPA). At the same time, it affirms Nextgen Clearing's commitment to abide by all national laws relating to bribery and corruption in the jurisdictions where we operate. The policy covers: bribes and kickbacks; facilitation payments; public officials; gifts, hospitality and expenses; personal conflicts of interest; charitable donations; political activities; business relationships; and audits and accounts. Other related policies and procedures address subcontractor management and whistleblowing.

In our standard Terms and Conditions for all client engagements, Nextgen Clearing agrees and warrants that it will not engage in any activity that would constitute an offence against national or international anti-bribery laws, and that it will maintain appropriate policies procedures and training to prevent acts of bribery.

### 6.2 People and Processes

Nextgen Clearing is committed to complying with relevant economic and trade Sanctions laws in all jurisdictions in which it operates, as these may apply to its operations, through identifying, mitigating and managing the risks of both primary and secondary Sanctions violations. We have introduced a new Sanctions compliance policy to help ensure that the company meets its targets on sanctions management.

### 6.3 Plans for 2018-19

In 2018-19 we plan to review and strengthen our internal anti-corruption training and awareness-raising programme. There will be a particular focus on:

- The need to monitor our supplier relationships regarding ethical conduct.
- The need for anti-corruption briefings for parties who work on business development.
- The need for risk workshops, changes to our Anti-Bribery and Anti-Corruption Policy and initiatives to raise awareness to prevent the facilitation of tax evasion following the introduction of the UK Criminal Finances Act 2017.