



The Prince's  
Responsible  
Business Network



# CREATING A FAIRER SOCIETY AND A MORE SUSTAINABLE FUTURE. UN GLOBAL COMPACT COMMUNICATION ON ENGAGEMENT REPORT

Reporting period January 2018 – December 2018



**WE SUPPORT**

Royal Founding Patron: HRH The Prince of Wales  
Chairman: Jeremy Darroch  
Chief Executive: Amanda Mackenzie OBE

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England and Wales.  
Company Limited by Guarantee No. 2210750.

Registered Office:  
137 Shepherdess Walk, London N1 7RQ  
[www.bitc.org.uk](http://www.bitc.org.uk)

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# STATEMENT OF CONTINUED SUPPORT FOR UN GLOBAL COMPACT

Business in the Community wholeheartedly agrees with the Ten Principles of the UN Global Compact; after all, they urge businesses to act responsibly and we are founded on the idea that companies which practise responsible business can change the world.

Over the last year, we have worked hard to promote the Principles in all of our work. This report sets out in detail our achievements, from our reports on diversity or mental health to the programmes we run on what good work really means. We were particularly proud of the launch of our Responsible Business Tracker: aligned to the Global Goals, it helps companies to answer the question ‘how good are we at responsible business?’ – and what it takes to get better.

At the same time, we try to hold ourselves to the same standards we ask of our whole responsible business network. We have been more transparent than ever before, publishing our pay gaps relating to both gender and ethnicity, as well as developing new guidelines on inclusivity and the behaviours we expect of our colleagues.

But regardless of whether we’re working on ourselves or supporting a member, we know that the answer to responsible business lies in collaboration. We are proud to be a signatory of the Principles because they help business all over the world to speak with one voice – to say that the private sector can, and should, be better.

We know that there is strength in numbers. 12,000 signatories, 160 countries and 10 Principles seems pretty powerful to me. Let’s keep changing the world – together.

Amanda Mackenzie  
Chief Executive Business in the Community



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# WHO ARE BUSINESS IN THE COMMUNITY?

Business in the Community (BITC) was born on the back of the Toxteth and Brixton race riots in 1981. At a time of rising inequality, business leaders got together and understood that to have healthy high streets, they needed to create healthy back streets; that the success of business and society were inextricably linked. Their response recognised that by working together, sharing learnings and collaborating, so much more could be achieved for both businesses and the communities, and this thinking remains true today.

Business in the Community is his Royal Highness The Prince of Wales' Responsible Business Network. We are a business-led, issue-focused charity with more than 30 years' experience of mobilising business around the responsible business agenda. We engage thousands of businesses through our programmes driven by our core membership of over 800 businesses that work together locally, nationally and internationally. We focus on:

- How a business makes its money, not just about how it spends its profit.
- How business manages growth responsibly while reducing dependency on natural resources.
- How business operates as an employer, supplier, customer and good neighbour to help to create vibrant communities where people can flourish.

We inspire, convene, support and challenge business on this agenda and collaboration is at the core of our approach. We offer a number of

practical ways for businesses to work together and take action to help tackle a wide range of issues that are essential to building a fairer society and a more sustainable future.

## Our Purpose

Business in the Community exists to build healthy communities with successful businesses at their heart.

## Our Vision

If every individual business strives to be the best they can be in all areas as a responsible business, there will be a positive multiplier effect, benefitting society, the economy and the environment. And if businesses collaborate, they can successfully tackle issues that they could not address by acting alone. This can mean sometimes addressing issues that are beyond your organisation's immediate interests, but which will build the UK's prosperity and sustain growth in the long term. That's why we ask our members to do two things.

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## 1

Be the best you can be in all areas as a responsible business.

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## 2

Work with others to bring your collective strength as a force for good.

# BITC'S IMPACT ON THE UN GLOBAL COMPACT PRINCIPLES

Business in the Community's areas of work complement the UN Global Compact and its Ten Principles. Through Business in the Community's engagement with a wide range of businesses it is able to further impact employees, customers and supplier communities, and to further promote the principles of the UN Global Compact. Business in the Community works to promote and support the further reach of its work and messaging, inspiring more companies to implement the UN Global Compact Principles in their businesses. In some areas Business in the Community works directly with the UN Global Compact in this endeavour, which has included running joint webinars and conferences.

Business in the Community also provides a wide range of services, practical guidance and creative solutions that help its members and engage new businesses in responsible business. These include:

- The Prince's Seeing is Believing Programme, Leadership Teams and networking.
- Benchmarking services, management frameworks and responsible business indices.
- Practical guidance, research and training.
- Local, national and global community partnerships and volunteering opportunities.
- A programme of events for peer learning.

To further the movement of responsible business, Business in the Community members are requested to demonstrate a genuine commitment to active engagement, to involve employees from across the business, to put a joint action plan in

place, regular meetings to review progress and to advocate the responsible business movement.

## Responsible Business Awards

Business in the Community has run a Responsible Business Awards programme for over 20 years. The Award categories reflect the key priorities within responsible business and have evolved over time. In 2018 there were 10 Awards categories covering a wide variety of issues including environmental leadership, wellbeing at work, championing an aging work force, disaster relief and global development, and the Awards recognise both large and small businesses. To take one of the Awards as an example, the Unilever Global Development Award formerly called the International Award has been running for 18 years and recognises businesses whose programmes are impacting one or more of the United Nations Sustainable Development Goals.

The Responsible Business Awards identify, recognise and celebrate companies leading on the agenda and are designed to inspire other businesses on their responsible business journey. They receive significant social media coverage, spreading the message of responsible business and during 2018 the Responsible Business Awards reached the top 5 UK twitter trends.

## Responsible Business Map

Using our expertise and network of business leaders, Business in the Community helps employers to channel their leadership, innovation and scale. This enables them to address social, economic and environmental challenges in specific locations around the UK by working alongside public sector and voluntary organisations within their local communities.

We help businesses to promote leadership and engagement on all levels; to develop skills and expertise required to identify places being left behind; and to listen to these communities' needs, co-create innovative solutions and invest time and effort to deliver change through direct action. And by sharing approaches which have the most impact, we make best practice and learning accessible across the UK through our network of connected businesses.



Source: Business in the Community, Responsible Business Map

Our Responsible Business Map shows members where they are on their responsible business journey and matches them with the right services, expertise and tools. This supports them to be the best they can be in all areas of responsible business. We also offer access to a network of employers and encourage our members to work together. This helps businesses to combine their strengths and ultimately bring about greater change. Our work focuses on four key areas:

**People:** Helping business build better workforces.

**Environment:** Helping business create a sustainable economy.

**Place:** Helping build healthy communities.

**Impact:** Helping business measure their impact.

In FY17/18 we have radically changed our approach to benchmarking and performance management following feedback from members.

This has led to the development of the new Responsible Business Tracker, generously supported by Sky. We are also grateful to Lloyds Banking Group Centre for Responsible Business at the University of Birmingham for their assistance.

The Tracker's unique selling point is that it covers the entire responsible business agenda, aligns with the Global Goals and caters to all sectors and sizes of businesses, whether listed or unlisted. It also offers benchmarking and recognition as well as gap analysis, highlighting best practice and allowing organisations to measure themselves against competitors.

### Place: A strong business led response to building trust between business and society

Place is a campaign within BITC that has a business leadership group that drives that campaign. The UK economy depends on towns and cities harnessing the potential of every man and woman who lives in them. Our towns and cities have always been at the heart of economic development and the creation of prosperity whether as marketplaces or as centres of enterprise, knowledge, culture, learning and innovation. However, the forces changing the way we live work and learn today, exacerbated by the advances in digital technology are leaving too many communities behind. There is an unacceptable gap between those who are benefitting from the changes and those who are not. This is creating a fracture in society and a breakdown in trust between business and society which demands a strong business-led response.

Place is a response by business to take ownership of this problem and Business in the Community is uniquely placed to bring the various stakeholders together to make it happen.

Activity is underway in Blackpool where an agenda for action by 2030 has just been published and in Wisbech, Cambridgeshire where Anglian Water, Business in the Community's Responsible Business of the Year 2017 has been pioneering this approach for the past four years.

### **Responsible Business Week**

Responsible Business Week is an annual awareness campaign which celebrates the brighter side of business by sharing great responsible business success stories.

This year it took place between 23-27 April and during the week we showcased inspiring stories and brought together experts to help all businesses create healthy communities. We also staged a series of informative events and convened leaders of the responsible business movement to highlight the benefits of creating healthy communities with successful businesses at their heart.

Every business has the opportunity and responsibility to make a difference, sector by sector and place by place, so that we're all doing our bit to help shape the future and take pride in the places where we live and work. Responsible Business Week is an opportunity to share something that you're proud of, such as helping young people develop skills for the future, stimulating your local economy, supporting small business or using natural resources more efficiently.

The topic of the Responsible Business Week in 2018 was "Place: Strong business leading response to building trust between business and society". The UK economy depends on towns and cities harnessing the potential of every man and woman who lives in them. They have always been at the heart of economic development and the creation of prosperity whether as

marketplaces or as centres of enterprise, knowledge, culture, learning and innovation. However, the forces changing the way we live work and learn today, exacerbated by the advances in digital technology are leaving too many communities behind. There is an unacceptable gap between those who are benefitting from the changes and those who are not. This is creating a fracture in society and a breakdown in trust between business and society which demands a strong business-led response.

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### **Measuring Outcomes**

In support of the UN Global Compact and the ten principles Business in the Community is pleased to report the following in our last financial year 2017/18:

- 68 New Business Connectors delivered around the UK.
- Mean gender pay gap of 0.29% and the median gender pay gap 0.72%.
- 6000 downloads of our toolkits and resources.
- 200 BAME employees participating in Cross Organisational Mentoring Circles.
- 10,000 people responded to our Equal Lives survey and over 80 took part in interviews and focus groups.
- Over 347 clients supported with work placements so far this year.



- 82 forerunner member companies from 26 sectors engaged in the RB Tracker.



webinars, seminars, workshops, Chatham House Roundtables, mentoring circles, peer learning forums, focus and working groups, across the Responsible Business agenda including Human Rights, Diversity, Environment, Community Investment and Education.

## Training

Business in the Community offers a range of opportunities to support individual development on CSR and Sustainability from workshops and seminars to formal training. The formal training has been developed for practitioners who are looking to deepen their knowledge of Corporate Responsibility (CR) and develop essential competencies. The training programme is designed to allow professionals to learn from one another as well as from our trainers. There is at least one guest speaker for every course, offering a unique perspective into CR from a real life business perspective.

Courses include an Institute of Leadership and Management-accredited CR Management programme, which consists of 6 day-long training sessions starting with the basics of CR and developing through to specialised topics.

Outside of the programme, Business in the Community also runs a standalone Introduction to CR & Sustainability course which is targeted for those who want to learn the fundamental basics of CR, usually for those who have a CR remit.

In addition, to further support the training and development of individuals, Business in the Community also run a range of events including



# 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.

Business in the Community engages business in conversations around human rights looking at what the business case is, the challenge that global supply chains can present with human rights and how to implement the latest Human Rights legislation.

Building on a series of seminars, workshops and 'Chatham House' Roundtable discussions on the Human Rights agenda over the years, these explored new legislation on human rights that will impact business. This has included discussions on the Ruggie Principles, the Modern Slavery Act and the European Union's Non-Financial Reporting legislation requirements. Senior policy makers from the UK government or European Union have presented on and talked about the policies and what they expect from business. These events were held under the 'Chatham House Rule' and enabled business to ask policy makers directly about issues and concerns they have regarding human rights.

In addition Business in the Community has also conducted a series of discussions looking at some of the issues most pertinent to business such as how to manage human rights with indirect sourcing partners and how to approach human rights after a merger or acquisition. These events support business to develop best practice for human rights management.

Business in the Community has collaborated with CSR Europe to support Europe-wide research on best practice for Business in Human Rights entitled Blueprint for Embedding Human Rights in Key Company Functions. The report looks at

three key functions, Human Resources, Procurement and Risk, and reviews the impact that they can have on human rights throughout the organisations providing case studies to inspire change.

## Tourism and Human Rights

Tourism is now one of the world's biggest industries. BITC's International Tourism Partnership (ITP) exists to provide a platform for hotel industry leaders to share ideas, build relationships and work collaboratively to make it one of the world's most responsible industries.

ITP launched its Goals for 2030 in September 2017 and has since worked with members to design a roadmap for change. ITP aims to unite the 13 international hotel industry members to collaborate across the critical issues of carbon, water, youth employment and human rights. Through Green Hotelier – and its awards – ITP also encourages individual hotels and smaller groups to act on the Global Goals.

Since launching the Goals, ITP has continued to create opportunities for change and collaboration across the hotel industry. ITP published the Hotel Global Decarbonisation report in December 2017, showing the possibility for total decarbonisation of the hotel industry. In March 2018, ITP published its Water Stewardship Report outlining the six steps hotels must take to embed water stewardship across their portfolios.

In August 2018, ITP launched the Destination Water Risk Index, which identifies the top 12 tourism destinations around the world with the greatest risk from water scarcity and reveals the extent to which water is undervalued in many locations and is likely to increase in cost in the near future. This is likely to influence how hotel companies proactively build in water stewardship strategies to their growth agenda and invite local

stakeholders and other industries to collaborate on mitigating actions in high risk destinations.

ITP's flagship programme, the Youth Career Initiative (YCI), has continued to empower hotels to positively impact their local communities. YCI enables hotels to offer employability opportunities and economic independence to disadvantaged young people. YCI is now active in 38 locations across 22 countries.

### **Wellbeing as safe and healthy working conditions**

Business in the Community defines 'wellbeing' as the mutually supportive relationship between an individual's mental, physical, financial and social health and their personal wellbeing. Our wellbeing campaign takes a whole person approach to employee health and wellbeing, underpinned by a common mental health strand to support thriving people, thriving business and thriving communities. Providing safe and healthy working conditions is human rights core.

In FY17/18 we set out to develop several new toolkits to strengthen our support to companies on wellbeing. We also aimed to build on the success of our Mental Health at Work survey by running it for a third cycle.

We have now developed a suite of eight interconnected toolkits, co-created with Public Health England and supported by various third sector partners, to support an integrated approach to physical and mental health, covering new and emerging topics such as sleep and recovery, as well as the challenging issue of domestic abuse. Our innovative toolkit suite is the first of its kind in the world, with Business in the Community acting as the broker by joining up public health and business. The suite consolidates the best evidence, best employer practice and best freely available resources

aimed at all employers regardless of size or sector.

Our focus this year has been on the successful running and delivery of our Mental Health at Work survey, in conjunction with Mercer and in collaboration with eight national partners. This is the third annual cycle of the survey, which aims to improve employee mental health at work in the UK and tackle the stigma of disclosing mental health issues. We would like to thank everyone who completed the survey and shared their experiences. A full report on the findings was published in October 2018 with new spotlights on financial wellbeing and LGBT colleagues.



In the year ahead, we will publish the findings from the 3rd Mental Health at Work survey, supported by Mercer, and push for greater awareness and action on the spotlight areas around LGBT mental health and financial wellbeing. We are planning a refresh of the Workwell model, which provides a useful framework to support a holistic and strategic action to embed well-being into a business; and will continue to raise awareness, disseminate and support members to use the BITC & Public Health England Toolkits, covering topics from sleep and recovery to domestic violence.

## Global Goals Campaign

The Global Goals campaign is based on the UN sustainable development agenda of 2015 and aims to inspire and engage businesses everywhere to ensure that their core business model is a sustainable one. Our vision is that global organisations of all sizes will demonstrate that mainstreaming sustainability and responsible business as part of their business model is the best route to commercial success, and to deliver the Sustainable Development Goals by 2030.

We are continuing our work to champion and quantify the business and societal benefits of sustainable business models in four key areas: Sustainable Business Models, Purpose-driven business, Responsible Business Tracker® and CSR360 Group Partner Network. This involves making sustainability an integral part of organisations' business model, continued focus on developing more purpose-driven brands and business and sharing the best community investment innovations, with global context, relevance and connectivity.

Additionally, we have ongoing projects on human rights and international disaster relief. This will enable us to share best practice on human rights approaches and challenges, and to deliver faster and more effective international disaster relief through our member companies' core products, services and capabilities.

Our goal is to provide a hub for employers which brings the Global Goals to life through sharing expertise, shared learning, best practice and providing practical and strategic actions.

## Place

As the economy changes, there is a risk that some communities are left behind, and a gap develops between business and society.

Business in the Community's vision is to create strategic, long-term, collaborative change in places across the UK. Our role in this vision is to support businesses to identify where they can best contribute and provide them with the appropriate guidance, tools and insights to make this happen.

In the year we launched our report 'Building the Case for a Connected Britain' which provides a model for creating long-term change, taking learning from across BITC programmes and engagement with business. We have learned a huge amount from projects in Blackpool and Wisbech about what works and what does not; our approach recognises the value of businesses, community, charitable organisations, and the public sector working together. We also understand the importance of engaging with different people and groups within the community to hear their voice; this year we have facilitated Community Conversations in five cities across the UK, supported by leading businesses.

This expertise formed the basis of BITC's input to the Civil Society Strategy, a landmark government initiative, which we are pleased to see widen the scope of the civil society beyond the charity sector, to now include responsible business.

Our longstanding Business Connectors programme – alongside our new ConnectFirst secondment programme – has continued to improve the economic prospects of less advantaged places throughout the UK. Talented employees, seconded from either business or the public sector to BITC, work and develop sustainable partnerships in specific places. We would like to thank Big Lottery, Fujitsu, Lloyds Banking Group and all the seconding organisations for their support to Business Connectors.

In FY 18/19 we aim to develop our Place approach and, through the support from our Leadership Team, provide companies with the support they need to ensure that we can create long-term collaborative change to places.

### Measuring Outcomes

In support of the UN Global Compact and the ten principles Business in the Community is pleased to report the following:

- 11,000 people completed the Mental Health at Work Survey.
- 36,000 BITC/Public Health England toolkit suite downloads.
- 48.3 Millions Leveraged into communities in cash, in-kind donations and volunteering in the Place programmes.
- 4,713 individual community organisations received support (including schools.)
- 680 young people joined Youth Career Initiative programmes in 2017.
- 339 Unique reviews on the Global Goals Guide for Business Report.

# LABOUR

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

Principle 4: the elimination of all forms of forced and compulsory labour;

Principle 5: the effective abolition of child labour; and

Principle 6: the elimination of discrimination in respect of employment and occupation.

Business in the Community has been working with its member organisations to tackle some of the biggest discrimination challenges that employees face within the workforce conducting research, advocating for best practice and compiling case studies.

Employment is one of the most significant ways that business can contribute to the livelihoods of individuals and communities, and is for many the only sustainable route out of poverty. Many responsible businesses recognise this and are taking steps to increase access to work, building a more diverse and productive workforce in the process, but there is more that can be done to join up and improve this activity to benefit more people.

Whilst employment rates have risen in recent years, some of the drivers of long-term exclusion and unemployment are on the rise too, meaning that there remain groups who, despite the labour market upturn, may struggle to find work without support.

Employers have a responsibility to offer vital first chances to young people trying to enter the world of work, and second chances for people who find

themselves excluded after a period of long-term unemployment or other challenges. Simply getting a job however is no longer enough with 30% of working age people in low-income households remain in poverty despite entering employment. The challenge for businesses today is how to not only inspire and hire future employees, but also provide quality jobs that enable those employees to grow.

## Employment

Although the employment rate across the UK is the highest it's ever been, digital transformation is changing the way we work and affecting businesses at a rapid rate. We need to ensure that business leaders are pioneering new ways of making their recruitment more accessible and sustainable and are retaining and retraining their talent, so that those furthest away from the job market are not left behind.

This year we set out to grow the numbers signed up to Ban the Box, our campaign calling on employers to give ex-offenders a fair chance for jobs, continue to support people in to work and develop an online hub for Good Work for All.

Among the organisations signing up to Ban the Box this year were Bristol City Council and the Recruitment and Employment Confederation, the first of their kind to do so. Meanwhile, our Future Proof campaign worked with young people to assess recruitment processes, helping many organisations become more youth friendly.

We launched the new online hub for our Good Work for All initiative, which supports employers to provide better pay, more secure contracts and internal progression for low-paid workers, and have been working with Sodexo, Amey and Heathrow Airport to take action to pilot new interventions. This will enable us to provide



support and guidance allowing other employers to take active steps in future.

Our Ready for Work employment programme helps people to enter employment around the UK with the support of employers - including key longstanding national partners Marks & Spencer, Freshfields, Gowling and Waitrose - to ensure they support people who achieved employment to sustain their work after their placement. With the help of Linklaters we have pioneered new support for jobseekers who need to improve their English language skills for work through Career Conversations and, with support from the John Lewis Foundation, have started to provide employability support to survivors of modern slavery.

Over the next year the Employment & Skills Leadership Team will be looking at the impact of our activities on jobs and employment and how business leaders plan for an inclusive digital transformation. We will be doing this by creating a common language on skills and identifying the actions businesses need to take to support individuals to transition from roles that are declining into new careers paths through pilot activity, workshops and identifying best practice. We will also be bringing together all of our learnings on making employment accessible across multiple excluded groups to make it easier for organisations to take action.

The Employment team aims to make work more accessible and sustainable for people who face barriers to employment and focus on:

- Making jobs more accessible through our campaigns and resources for members
- Making jobs more sustainable through our development work around good work for all
- Supporting disadvantaged individuals through our Ready for Work programme

## Gender Equality

BITC's gender equality campaign works with employers from a range of sectors and industries to create inclusive workplaces for women and men. We also engage with government and industry stakeholders to campaign for societal change. This approach has enabled us to become a leading authority on workplace gender equality and to create change at a larger scale.

This year we set out to deliver a major piece of research in regard to caring responsibilities and the workplace and work with members to prepare for gender pay gap reporting.

Our focus during the year was our Equal Lives project, in partnership with Santander UK. The project aims to find out whether increased support from employers to help men take on more caring responsibilities at home would boost women's progression at work. We published the results and learnings from our nationwide survey in September 2018 which found there was an appetite for men to take on more caring responsibilities and would like to thank the participants who took part.



Throughout the year we have worked closely with our member organisations to prepare for annual gender pay gap reporting, which took effect in April 2018, and ran our ninth Times Top 50 Employers for Women benchmark and supplement sharing best practice across the agenda.

Our Gender Equality Award winners were celebrated at the Responsible Business Awards in July 2018, with HM Revenue & Customs announced as the winner of the Responsible Business Award for Gender Equality. We have also developed our profile in the media as we aim to be a trusted voice on workplace gender equality issues.

Finally, we have continued to encourage companies to host our Same but Different exhibition celebrating the diversity of women.

In the year ahead, we are collaborating with the Government Equalities Office to organise a series of events that will support employers to understand, communicate, and tackle their pay gaps. We will continue to highlight and promote best practice on workplace gender equality through our Gender Equality Awards and The Times Top 50 Employers for Women listing.

## Age

The BITC Age campaign works with employers to equip them to respond to the benefits and challenges of an ageing population creating age-friendly workplaces where people of all ages can flourish.

We have a strong focus on helping companies to retain, retrain and recruit older workers and at the same time helping employers to create effective multi-generational teams.

With the support of the Department for Work and Pensions and our Leadership Team members, we

are delivering our campaign strategy and fulfilling our role as the Government's Business Champion for Older Workers. We set out in the year to strengthen our support to companies on encouraging multi-generational workforces.

Throughout the year we engaged with a number of partners to produce new research and toolkits and deliver events. These included Tata Consultancy Services (who supported our 'Missing Link: Older Workers and skills in the Digital Era' research), KAE and Calouste Gulbenkian Foundation (UK Branch). Additionally, we published an Age Starter Pack and a range of toolkits on supporting older workers through career and life transitions, supporting informal carers at work and engaging and incentivising older workers, and raised awareness of issues facing older workers through press interviews and conferences in the UK and abroad.

In March 2018 we launched our Age Partnership offer, which was promoted to existing BITC members and other Workplace Partners, and





created an Age & Wellbeing Adviser role to deliver this service and drive partnership growth and engagement. We have worked in partnership with the CBI, CIPD and a range of employer organisations to help get the message out through their membership organisations with a special focus on smaller and medium-sized companies.

We also worked with the Centre for Ageing Better on new research into what makes an age-friendly employer which was published this autumn. This will form the basis of our flagship project on creating age-diverse and inclusive teams, which will also include a communications campaign and pilots with employers in the coming year.

In the year ahead, we will continue to build a deeper evidence base of what is needed, what is happening and what works in creating age-inclusive practices at work. This will include a flagship project to recognise best practice for age-friendly teams through the Awards for Excellence, as well as working with the Leadership Team to pilot and review a number of new interventions, and growing our Age offer to support members to take action. We will continue to work in partnership with the DWP, with Andy Briggs, Aviva and the Leadership Team acting as Business Older Workers Champions, and with other partners and business coalitions to grow awareness of this issue.

## Race

One in four primary school pupils is from a Black, Asian or Minority Ethnic (BAME) background, but just one in 16 senior managers are. BITC's race equality campaign supports employers to ensure that BAME employees are represented at all levels. Having a diverse workforce benefits businesses financially, as well as enabling them to make the most of available talent and reflect

the clients, customers and communities they serve.

This year we set out to further identify the leading companies on this issue and showcase good practice, with a focus on increased diversity in leadership, progression and recruitment. We celebrated our first Best Employers for Race listing, featuring 66 UK employers, in October 2017. Three organisations from the listing were also named as Race Equality Award winners and honoured at the Responsible Business Awards Gala Dinner at the Royal Albert Hall. We ran a second listing earlier this year and published the results this autumn.

We also conducted an updated version of our flagship Race at Work survey in partnership with the Department for Business, Energy & Industrial Strategy. Over 20,000 people shared their experiences of race in the workplace, including leadership, pay and workplace bullying and harassment. The results were published this October and we would like to thank everyone who took part.

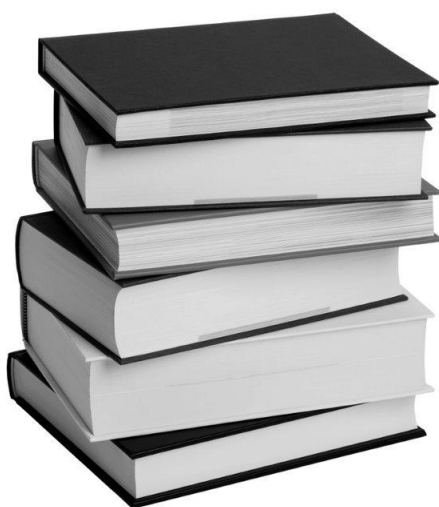
Finally, we conducted a successful Unemployed Mentoring Circles pilot in partnership with the Department for Work and Pensions. The pilot ran in London, Manchester and Birmingham and aims to connect local businesses with young people from BAME backgrounds to help them gain the necessary skills for good, fulfilling work.

In the year ahead, we will publish the findings from the Race at Work research and recognise best practice through publication of the Best Employers for Race. We will conclude the workshops for BAME jobseekers working with JobCentrePlus in 20 locations where the race disparity audit highlighted urgent need for additional action. We will push for greater focus and action by using the Race at Work Charter.

## Education

Children that grow up in poverty are less likely to succeed, at school and then at work. Our mission is for business to play its part so that every child, particularly those facing social disadvantage, is able to achieve in education, leading to a successful working life, thriving in the workplace.

Through our Business Class scheme we create effective and mutually beneficial partnerships between schools and businesses. Huge thanks to the 1,170 businesses who over the last 10 years have enabled us to reach 288,000 young people, through 581 Business Class partnerships. We have learnt a lot, and this year saw us publish the evidence-based Business Class framework for the first time. This framework has been developed over the last 10 years by business leaders, practitioners and academics in the north-west of England, and covers leadership and management, curriculum, enterprise and employability and wider issues. It aims to support businesses of all sizes to have greater impact in their support for schools. We hope that it will inspire others to act.



This year we have built on the learning of 10 years of Business Class to create new

opportunities for collaboration, working with universities to bring graduates into the classroom to inspire young people and partnering with the Careers and Enterprise Company (CEC) in Ipswich, Stoke and Bradford to contribute to the government's careers strategy objectives and create insights into the world of work. Our partnership with the CEC has also allowed us to support schools in Blackpool.

In March we published our 'Whole School, Whole Child' report, sharing the knowledge, examples and learning and successes from 10 years of our Business Class programme.

We are part of the SkillsBuilder partnership, led by Enabling Enterprise, which launched in May. The SkillsBuilder framework is widely used by schools and other skills building organisations and is an exciting opportunity for collaboration around a single shared skills language.

## Internal Management

Business in the Community is committed to its own responsibilities to society and the environment. As an organisation it aims to run sustainable events and reduce energy emissions from premises and transport, resource-use, waste management and recycling.

With all purchasing decisions Business in the Community considers supporting enterprise growth and economic diversity within communities. In addition the organisation support suppliers in providing healthy, safe and inclusive workplaces. By considering the impact of our supply chain and of individual purchasing decisions on the environment, Business in the Community encourages suppliers to adopt responsible marketplace practices.

Business in the Community lives by its Values and Leadership Bedrock and is passionate about Wellbeing and Learning and Development. There

are a wide range of policies to support this agenda including:

- Employee Code of Conduct.
- Equality and Diversity.
- Grievances and Whistleblowing.
- Flexible working.
- Bullying and Harassment.
- Check all options.

Business in the Community has been awarded a “Very Good” accreditation from Best Companies, the employee engagement specialists, and secured themselves a place on the Top 100 Best Companies to Work.

- Over 80% of employees believe that Business in the Community is run on strong values/principles.
- There is a clear sense of engagement around Business in the Community’s mission and service delivery, with 92% of staff saying they believe the organisation makes a positive difference to the world we live in and 75% agreeing that we provide a great service to our customers and clients.
- 80% of managers agreed with the statement “I am confident that we’re all working together to achieve common goals” while 86% report enjoying working with other managers in their team.
- Over 80% of staff say their job is good for their personal growth.

### Measuring Outcomes

- In support of the UN Global Compact and the ten principles Business in the Community is pleased to report the following in our last financial year:
- 824,000 roles made more accessible through Ban the Box.

- 1,800 viws on the Good Work for All hub.
- 2,000 people attended Future Proof workshops and events nationwide.
- 400,000 more older workers in work in the last two years – meaning we are on track to reach our target of 1M more older workers by 2022.
- 16 organisations hosted our “Same But Different” exhibition which illustrates the concept of intersectionality and celebrates the diversity of women.
- 128 pieces of media coverage secured between July 2017 and June 2018.
- 20 employers collaborating in our flagship Cross Organisational Mentoring Circles.
- The Unemployed Montoring Circle Pilot is being scaled-up to 20 locations in the UK.
- 581 Business Class partnerships with 1170 businesses since 2008.
- 28,800 young people reached through Business Class in last 10 years.

# 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.

This year, Business in the Community and our members have begun a shift. Rather than approaching environmental challenges from the perspective of reducing negative impact, we are now seeing these issues as opportunities to create value through leadership, tools and guidance. In addition to our work on the circular economy, water resilience and ecosystems, we have focused on a number of other projects.

With funding from the Department for the Environment, Food and Rural Affairs (Defra), we engaged businesses with a strong link to agriculture to support farmers with better stewardship of land and improve the health of ecosystems. We developed a model for shared investment to improve landscape health for better flood risk and food production, ran a conference with Sheffield University on the future of food, developed three practical projects with stakeholders to test our model in Cumbria, East Anglia and the South West, and tackled hotspots for pollution with the Environment Agency. We also held a digital deep dive, hosted by Anglian Water and Capgemini, looking at how digital technology and data could help catalyse environmental management. The event involved 30 organisations and has led to two pilot projects in urban and rural contexts to be implemented in 2019.

During Responsible Business Week we ran a significant innovation lab, hosted by the BBC, following our participation in the Mayor's Green Summit in Manchester. The innovation lab was attended by over 100 business and community leaders as well as the Mayor Andy Burnham, and helped people develop practical action plans to create value by helping to achieve the Mayor's vision for a carbon neutral city by 2038. We are continuing to work with the Greater Manchester Combined Authority (GMCA) on how we can best support the realisation of that vision.

Going forward, our focus is our major Waste to Wealth summit in November 2018, which aims to inspire a wave of innovation and rethink resources for the 21st century. The summit aims to engage our network to find solutions to pressing resource challenges in ways that create value for business and society.

## Water Risk

Business in the Community's Water Resilience Team works with business to reduce risk and improve the health of water, soil and biodiversity within their supply chain.

Our focus has been on delivering practical, collaborative projects which create shared value for business and communities and put building blocks in place to scale up. In January our Healthy Ecosystems and Resilient Cities programmes were featured in the Government's 25 Year Environment Plan with notable reference to our Landscape Enterprise Network approach developed with Nestlé and 3Keel. In March we launched the Water Taskforce strategy, setting out how we would take these programmes to scale.

This year our Water Resilient Cities work in Manchester, funded by Defra and Natural Course, demonstrated how creating green spaces can

deliver significant economic, social and environmental value for communities, including improved community assets, health and wellbeing and reduced air pollution. We developed pilot projects with a school and an NHS site in Greater Manchester to demonstrate how implementing this would work on the ground in terms of financial payback and community benefit.

Our Healthy Ecosystems project has connected businesses to opportunities for collaboration in rural places. Partnering with the Courtauld 2025, we have established projects across three river catchments in the South West, Cumbria and East Anglia, where businesses can work to reduce risk in their supply chain. In May we worked with Cambridge Institute for Sustainability Leadership, The Rivers Trust and our Water Taskforce to launch the Catchment Declaration, with over 100 signatories committing to improving river catchments in the UK.



These two programmes have highlighted common themes that will enable business to innovate for a Smart Growth approach using financing and digital technology. We organised two events to highlight the opportunities in these areas. Our innovative financing round table,

chaired by Emma Howard Boyd, Chair of the Environment Agency, and Simon Allocca from Lloyds Bank, brought together stakeholders to explore the challenges and opportunities. We are now working closely with government and investors to explore the potential for green financing for the natural environment.

The Digital Deep Dive sought to identify how data and digital technology could help inform better decision making on the environment for business. The event, hosted by Capgemini and Anglian Water, established frameworks for rural and urban environments which we will develop further over the next year.

### Circular Economy

In a traditional linear economy, products are made, used and disposed of. In a circular economy, however, resources are kept for as long as possible, the maximum value is extracted from these resources whilst they are still in use and then products and materials are recovered and regenerated from the resources at the end of their life.

Business in the Community's Circular Economy Taskforce brings together CEOs and other senior executives who are committed to delivering a high impact programme which brings the circular economy to life. Its programme of work centres on the following three areas of activity:

- Raising awareness and inspiring action towards greater circularity through thought leadership, knowledge-sharing and networking events.
- Building a programme of practical collaboration, action and innovation, currently focused on the Circular Office/Workplace initiative. Sector-focused work is also being developed.



- Working with the UK government to promote policy frameworks and support needed to boost circular economy opportunities nationally.

In May 2018 we published the findings of a consultation with Circular Economy Taskforce members, which was launched at an event with the Secretary of State for the Environment, Food and Rural Affairs. The report sets out the economic and business case for the circular economy and the opportunities it brings as a viable, practical alternative to the current linear model. It also highlights four areas for increased collaboration and intervention, and calls on business, government, academia and other stakeholders to work together and bring the circular economy to life. This approach could result in a 3% boost to resource productivity and generate £10bn GVA and 200,000 jobs by 2030.

This year we have developed the Circular Office initiative, which brings businesses together to learn, share and try out new ideas towards greater circularity in their offices – changing how we design, use and operate in the places we work, eliminating waste, retaining the value of materials by keeping them in circulation, and creating more efficient, resilient spaces.

Opportunities in the initiative include refurbishing and reusing office furniture and equipment, recycling and reducing food and packaging, and building greater resource circularity into the design of new buildings and the refurbishment or repurposing of offices. Organisations can sign up to the Circular Office initiative by committing to take at least one step towards greater circularity in their workplace, by championing the campaign with their suppliers or customers and by sharing their learning.

More than 80 companies are now working together to develop circular office solutions, and

we have networks running in Belfast, Cardiff, London and Manchester. We are continuing to build on this work in 2018 through a series of workshops and bespoke advisory support to help members share learning and develop their own approaches to adopting a circular economy approach within their organisation.

### Waste to Wealth

On 2018 the Waste to Wealth Summit was hosted. Over 200 leaders from business, government, academia and civil society gathered at the Waste to Wealth Summit hosted by event partner Veolia, at Veolia Southwark's integrated waste management facility in London to tackle this challenge head-on. HRH The Prince of Wales delivered a keynote address at the Summit in which he addressed the urgent need to tackle the resource issue in the UK and explain why business is best placed to meet this challenge.

Over 40 leading businesses signed the Waste to Wealth Commitment before the Summit including Bupa, The Co-Operative Bank, Deloitte, Greggs, Heineken, Iceland, Lloyds Banking Group, Marks & Spencer, PwC, Sky, Thames Water, Toyota, Unilever, Veolia, Aston Martin and more are expected to join.

By signing the Waste to Wealth Commitment, businesses recognise the Intergovernmental Panel on Climate Change (IPCC) conclusion from October 2018 that we only have 12 years to change our relationship with the resources we use to avoid catastrophic climate change and restore the health of our environment. The Waste to Wealth Commitment signatories are committing to the following actions:

- Set targets to improve the productivity of resources that are key for our business.
- Work collectively towards doubling the nation's resource productivity and eliminate

avoidable waste by 2030, contributing in the way that is most relevant to our business.

- Redesign how resources are used in our products, services and operations.
- Collaborate across our organisations, value chains and sectors.
- Reconvene and report on progress annually to share learning and demonstrate results.

### Measuring Outcomes

In support of the UN Global Compact and the ten principles Business in the Community is pleased to report the following in our last financial year:

- More than 80 companies working to develop Circular Office solutions.
- Over 700 businesses engaged through workshops, webinars, projects and other support.
- Over 200 sustainability reviews conducted for warrant holders of the Royal Households.
- Healthy Ecosystems and Resilient Cities programmes featured in the Government's 25 Year Environment Plan.
- 100 signatories committing to improving river catchments in the UK for the Rivers Trust and Water Taskforce.
- More than 80 companies working together to develop circular office solutions.
- Circular Economy Taskforce publication that could result in a 3% boost to resource productivity and generate £10bn GVA and 300,000 jobs by 2030.

### Sustainable Business Models

Addressing the need for business to evolve in a resource constrained world Business in the Community's work on Sustainable Business Models has brought together business leaders and practitioners to discuss the evolution of

business models to have more positive environmental and societal impacts.

### UN Sustainable Development Goals

Having been active in bringing business attention to and action on the Global Goals, in 2015 Business in the Community ran business consultations to support the development of the framework and fed into the UN High Level Panel.



Source: GlobalGoals.org

In preparation for the launch of the Global Goals, Business in the Community ran a webinar to raise awareness and understanding of the Goals. This was run in partnership the UN Global Compact Network UK, and the World Business Council for Sustainable Development (WBCSD). This webinar supported business practitioners to understand the Goals and the impacts that the SDGs can have on business and equipping them with access to resources to help them make change within their organisations and introduced the audience to the Sustainable Development Goals Compass. Business in the Community has also co-hosted and spoke together with the WBCSD and the Global Reporting Initiative at the European Summit 2020 to further promote the importance of this agenda.

### Embedding the SDGs into Business: Practical Insights and Tools for Success

A further event was held with The UN Global Compact Network UK, Business Fights Poverty, the Fairtrade Foundation and the Partnering



Initiative to look at positive examples of how business has integrated the principles of the UN Millennium Development Goals into their business models. This event was an opportunity for businesses to explore the opportunities for business to support the SDGs. This event was also supported by the Department for International Development.

Throughout 2018 we ran workshops around the UK to raise awareness on the Global Goals. Additionally, we partnered with Deloitte and Arm to develop the 'Towards the Tipping Point: Global Goals Guide for Business'

Read more about the report at:

<https://www.bitc.org.uk/resources-training/resources/research/towards-tipping-point-global-goals-guide-business>

Across UK businesses and particularly amongst the Business in the Community network, there are a range of examples of businesses already gaining value from engaging with the Global Goals. The businesses profiled in this report are providing great examples of how leading organisations are currently acting on the 2030 Agenda for Sustainable Development.

The report also provides practical examples and recommendations for businesses just beginning to engage with the Global Goals. We hope our report will inspire and act as a guide to those businesses looking to deepen their commitment to sustainable development, and their contribution to the Global Goals.

These events have resulted in greater awareness of the Global Goals, examples of how companies can get involved, examples of best practice and knowledge sharing with global leaders.

# ANTI-CORRUPTION

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

In 2013, working with the Institute of Leadership & Management (ILM), Business in the Community undertook some research and produced a report in June on the importance of Ethical Leadership.

Since 2008, the general public's expectations of UK organisations' ethical behaviour have risen. Over 1,100 amongst practicing managers and business leaders participated:

Three fifths (63%) of managers reported that they had been expected to behave unethically at some point in their career.

- 9% of managers had been asked to break the law at work.
- One in 10 had left their jobs as a result of being asked to do something at work that made them feel uncomfortable.



- Over a quarter (27%) were concerned they would be negatively affected if they were to report an ethical breach.
- 77% of managers believe that public expectations on business ethics have risen.
- 83% said their organisation had a values statement but over two fifths (43%) had been pressured to behave in direct violation of it.
- 12% of managers saying that the correlation between employee behaviour and company values was not close 'at all' in their workplace.

## Internal Management

Responsible leadership is a key theme that runs throughout Business In the communities.

Business in the Community's primary impact on anti-corruption is through its employees and the relationships it holds with its Member organisations and supply chain.

Business in the Community is committed to the highest standards of ethical conduct and integrity in its business activities in the UK and overseas.

The organisation does not tolerate any form of bribery by, or of, its employees, workers, agents or consultants or any person or body acting on its behalf. Senior management is committed to implementing effective measures to prevent, monitor and eliminate bribery.

All employees, secondees, contractors and anyone acting on behalf of Business in the Community agree to abide by BITC's Bribery and Anti-Fraud Policy as part of their employment and involvement with the organisation.

Business in the Community takes a very serious view of any attempt to commit fraud by the members of staff, secondees, contractors or anyone acting on our behalf. All individuals mentioned above are required, at all times, to act

in line with our core values and within the BITC code of conduct, in particular to act with honesty and integrity and to safeguard resources for which they are responsible. We believe that all are responsible for being vigilant in preventing the circumstances in which fraud or bribery can be perpetrated or covered up.

BITC's whistle blowing policy protects individuals from workplace retributions for raising a genuine concern, whether a risk to the public purse or other wrongdoing.

If employees, secondees, contractors or anyone acting on behalf of BITC, suspect malpractice or misconduct, they are encouraged to raise a concern and have the option of doing so anonymously.

There are both internal and external points of contact that employees are able to go to in order to raise their concern.

# CALL TO ACTION

Business in the Community continues in its mission to build a fairer society and a more sustainable future. Business in the Community reaffirms our support of the United Nations Global Compact and its Ten Principles in the areas of Human Rights, Labour, Environment and Anti-corruption. This is our Communication on Engagement with the United Nations Global Compact. We welcome feedback on its contents and we invite you to join the movement.

For more information about Business in the Community see <http://www.bitc.org.uk/>

Contact us at +44 (0)20 7566 8650 or  
information@bitc.org.uk or @BITC



The Prince's  
Responsible  
Business Network