twentyfifty®

Communication on Progress

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Prepared for the United Nations Global Compact

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To our stakeholders,

I am pleased to confirm that twentyfifty Ltd remains committed to supporting the Ten Principles of the United Nations Global Compact (UNGC) in the areas of Human Rights, Labour, Environment and Anti-Corruption.

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

We are a small company but one whose professional services are focused on, among others, helping large multinationals implement the principles of the UN Global Compact, especially those principles related to human rights and labour standards. We also commit to share this information with our stakeholders through our website and the Global Compact.

Our highlights this year include strengthening the implementation of our internal policies and procedures around appraisal, development, communication and wellbeing. We also continued to support our clients to contribute more effectively to the achievement of the Sustainable Development Goals (SDGs) through respect for human rights.

We are committed to continuous improvement of our performance and look forward to any feedback on this report.

Sincerely,

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Luke Wilde, Chief Executive

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 purpose of twentyfifty is to build the capacity of companies to understand and address their impacts and lead change that serves business and society.

We are committed to respecting human rights in our own operations, our service delivery and our business relationships. We do this by working with multinational businesses to help them to implement their commitments to respect human rights. Since 2004, we have worked globally and across sectors, with a focus on extractives, technology, food & agriculture, tourism, technology & science and retail & garments. Following their arrival in 2011, the UN Guiding Principles on Business and Human Rights (UNGPs) have underpinned much of our client work.

We provide support in raising awareness, engaging internal and external stakeholders, program strategy and organisational change, and understanding and assessing human rights impacts as well as training, policy development and implementation. As a professional services firm, we aim to:

- Develop practical, implementable approaches to the UNGPs that deliver business benefits for our clients and provide organisational change support which enables these approaches to be implemented across global operations
- Encourage larger numbers of businesses, especially those operating in emerging markets, to implement the human rights principles of the Global Compact and the UNGPs
- Share, where clients allow, our work with wider audiences and encourage clients to be transparent about their progress and challenges in order to develop the collective knowledge and practice of respecting human rights.

Progress in 2018: Working with clients

The standard terms of many of the contracts issued to us by public bodies as well as private companies limit what we can say about our work. However, when we can, we agree with our clients that they (and we) publish lessons from the project we undertake together to support the transformation towards a responsible and rights-respecting global economy.

Key activities this year included:

- We continued our work with the Partnership for Sustainable Textiles, supporting capability building formats for the partnership's business members and overall strategy development, with a focus on risk assessments, effective monitoring and supply chain grievance mechanisms
- We expanded our work in Switzerland through an intensified collaboration on Human Rights Due Diligence with the Swiss Federal Department of Foreign Affairs, the Swiss Federal Department of Economic Affairs, Education and Research, the Global Compact Network and other public and private partners. We have also been able to diversify our client base in the region.



- We continued our "Fit for the NAP" training course in Germany which supports companies to prepare for and comply with the obligations of the National Action Plan on Business and Human Rights
- We continued our close relationship with the German Network of the United Nations Global Compact and supported them to deliver an engaging programme of webinars, workshops events and facilitation activities, including the DGCN Human Rights Peer Learning Group on Human Rights.
- We continued our work with the UN Global Compact around decent work, with a Supporting Decent Work in Supply Chains Action Platform.
- We continued to expand the reach of our work on human rights due diligence in the automobile industry where we especially provide support to responsible sourcing.
- We collaborated on the publication of two reports:
 - Seizing Opportunities, Minimising Risk: Empowering Women in the Supply Chain In cooperation with Global Compact Network Germany and UN Women Nationales Komitee Deutschland e.V., we launched the English language version of this popular publication on women's empowerment in global supply chains, including practical approaches for business and good practice in agriculture/raw material extraction as well as production facilities.
 - We also supported the German Global Compact Network Germany in launching their <u>Peer</u> <u>Learning Group Report 2017</u>
- In May 2018 in Bangalore, together with the Indian Institute of Management Bangalore, we co-organised a panel discussion on 'Making Business a force for Good, remain Competitive and Engaged'. The event aimed to ascertain whether companies are sensitised towards Human Rights in alignment with the UNGPs and to give a realistic picture of how India is handling Corporate Social Responsibility.

In 2018 we deepened and broadened our training offerings related to business and human rights. We delivered face-to-face training to businesses on topics such as:

- General business and human rights
- Human rights due diligence
- Organisation of stakeholder dialogue
- Modern slavery

We shared our knowledge and expertise on human rights as guest speakers at events, through webinars and via <u>regular online blogs</u> on topics such as gender justice, human rights and climate change. Members of our team spoke about human rights topics at the following events:

- Local Government Association Annual Conference, Birmingham
- Sandwell Anti-Slavery Taskforce, Sandwell
- Solace Conference, Brighton
- German Textile Partnership meeting, Cologne
- UN Global Compact Platform on Decent Work in Global Supply Chains, Geneva
- German Ministry of Labour raw materials sourcing workshop, Berlin
- International Justice Mission Stop Slavery Conference, Stuttgart

Progress in 2018: In our own operations

We seek to apply the same principles to our own operations as those of our clients, using the UN Guiding Principles as a reference point in our decision-making. twentyfifty is a member of the UNGC local networks in the UK, Germany, Switzerland and India, and a signatory of the Women's Empowerment Principles.

In contrast to our consulting engagements in which we influence the system through our multinational clients, when it comes to our own operations as a micro-business, like other small businesses, our choices are limited to those which the system makes available to us. Nevertheless, we endeavour to use our knowledge to choose ethical or lower impact suppliers or business partners whenever possible, for example, when we book travel or purchase computers. We also look for certified providers or consult websites such as <u>'rank a brand'</u> before making purchase decisions.

Another business area that we align with our values is in our choice of offices. In 2018, our Londonbased team chose to work from a co-working space provider that is itself a BCorp certified company.

In 2018 we achieved CyberEssentials certification – as part of our commitment to support our clients responsibly and operate sustainably.

One area where we encounter dilemmas is in who we choose to work with. In controversial cases, we ensure that all colleagues are involved in the decision-making and are satisfied with the conclusion. We generally base decisions on whether we feel the client shows meaningful commitment and whether our work will have a positive impact on the people potentially affected by the client's activities. Broadly, if we feel our experience and competencies can make a difference to people's lives, this is not an opportunity we want to walk away from. That said, we make these decisions on a case by case basis involving the entire team. In 2018, we increasingly found ourselves in a position to select clients based on the impact they are committed to making.

Measurement of outcomes

We did not have any measures in place in this area.

Plans for 2019

In the year ahead, our plans are to:

- Continue supporting our clients to derive business and social value from implementing and communicating on the Sustainable Development Goals, with an explicit focus on respecting human rights in their value chains
- Expand our thought leadership efforts and raise awareness on the opportunities of a human rights based approach in public fora and media
- Related to this, we plan to evaluate using more stringent contract terms with clients, ensuring accountability, engagement and commitment to impactful results
- To review our banking relationships.



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.

Labour issues are a core human rights issue and one of the main areas that we focus on in terms of providing consultancy. We have several labour standards specialists in our team. This gives us the capacity to support our clients to ensure local practices meet international expectations and the labour principles of the UN Global Compact.

In addition to our client work, we seek to make sure our own practices are exemplary. For us, fostering positive working conditions is essential to recruiting and maintaining the best talent. Our consultants will only be successful in supporting clients if they feel respected and treated fairly, have opportunities to develop and can find an adequate balance between work and personal life.

Progress in 2018: Working with clients

This year we continued our work on modern slavery. We continued to see a number of companies turn to us for support with regard to the completion of their modern slavery statements, some for the second time. This involvement often extended beyond the statement itself to supporting the company to implement further due diligence such as understanding the expectations of the Act, identifying potential risks of modern slavery in their operations and supply chains, and developing roadmaps to begin to address these risks and impacts. Likewise, our projects around general human rights due diligence, decent work and responsible sourcing inevitably and importantly also include modern slavery components.

Other activities around modern slavery included:

- Workshops and trainings
- The facilitation of an event for the Local Government Association in the UK covering modern slavery in public procurement
- Support to companies' risk identification processes
- Work on Modern Slavery statements

Progress in 2018: In our own operations

Within twentyfifty's operations, we have sought to improve further our working practices in ways that align with our values, treat our people fairly and manage our geographically spread team. This past year, we have focused on strengthening the implementation of existing corporate policies, including our Flexible Working Policy, Charitable Giving Policy and Leave Calculation Procedure. Through internal awareness raising, team discussion and practice, we continuously seek to ensure employees understand and make use of their related freedoms and entitlements.



Our values

We are committed to living our values, with each other and with our clients.

PASSION In our company and in our work, we let our passion shine through, heart and soul.

CLARITY We strive for clarity. We seek to get to the essence of what is important and practical. We communicate clearly with each other and with our clients, using simple, clear and accessible language.

INTEGRITY We do what we say we will do, and we trust each other to do a good job. We are good custodians of our clients' funds and our own, and we do not engage in any activity which is illegal or improper.

RESPECT & INCLUSION In our business and in our consulting, we seek to ensure that everyone is given a voice. When necessary, we reach out to individuals or groups who need particular support to voice their needs and aspirations. We seek to ensure that our own business processes empower and do not discriminate, and we provide all means possible for concerns to be raised and appropriately resolved by our management.

RESULTS-ORIENTED We want to do work that is meaningful and impactful. We are focused on delivering results for our clients that also deliver broader positive impacts to society and, wherever possible, on measuring these results. We help our clients to address negative impacts, and to make a real difference, by enhancing their contribution to people, society and to the planet.

Our growing team is confronted with an equally growing and demanding workload, and we have recognised that balancing **employee wellbeing** in this context is a major challenge for a business like ours. After an extensive internal review of our appraisal, development, wellbeing and communication practices, early in 2018 our team jointly agreed on an action plan. The resulting procedures included a wellbeing monitoring system, as well as a strengthened appraisal and development procedure. They were implemented throughout the year and have been accompanied by the establishment of less formal routines to share experience regarding work satisfaction and wellbeing across the team. Further, our team uses a platform and tracking tool that help them manage workload and tasks.

For us, **diversity** is a key success factor in ensuring we can respond to client needs globally. Our team is diverse, with 11 languages spoken, a leadership team that is 50% female and we provide flexible working arrangements to meet individual needs (e.g. to balance work and family life through working from home and flexible time). As a result of healthy business growth, two new female employees were recruited to join our leadership team.

We seek wide **involvement in decision-making** through regular team calls and through all-team face-to-face meetings. In 2018 we established more routines that help our geographically dispersed team to stay connected and benefit from in person meetings and exchange. At the same time, we improved further our flexible working arrangements. Our Flexible Working policy has been updated to incorporate the needs of less able employees, but also to emphasise environmental benefits. Another effort to encourage all employees and stakeholders to participate in the decision-making processes was manifest through updates to our Charitable Giving policy.

We support the **professional and personal development** of each team member, providing access to training, coaching and other forms of support as required to be able to meet their aspirations. Apart



from formal external training, we recognise that great opportunities exist in peer learning and coaching. As an organisation with highly skilled and experienced experts from various backgrounds, we provide ample opportunity for our team to engage in internal coaching and development sessions.

In 2018, we took further steps to move towards Employee Ownership. For example, we attended a two- day conference, took legal counsel, engaged with a potential equity partner and held internal discussions.

We do not use unpaid labour and negotiate fair contracts with our associates.

We have clear grievance channels and procedures. Employees may approach their line manager and either the chief executive or the chairman with any issues arising.

Measurement

- 100% of staff and several associates involved in coaching calls (both giving and receiving coaching)
- Two new female employees taken on this year.
- Three staff completed first aid training.

Plans for 2019

In 2019, we plan to:

- Expand our work on modern slavery and forced labour by supporting clients to further address risks in their deeper supply chains.
- Expand our work with clients in regard to sustainability leadership development and, alongside this, develop internal capacity, skills and competencies in this field
- Offer a training fund for employees to choose their own training courses that support their professional and personal development
- Move into Employee Ownership in 2019.

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.

When working with clients, we seek to ensure that the environmental impact on people is considered, understood and addressed, in accordance with the UNGPs. In our own operations, twentyfifty is committed to minimising its impact on the environment wherever possible. Our biggest impact is the travel we undertake.

Progress in 2018: In our own operations

Wherever possible, we make use of public transport, and we make extensive use of teleconferencing and webinars to reduce the travel required (e.g. between the UK, Swiss and German business and in our client work). However, in a global business flying is inevitable. We also see the direct value and need for face to face engagement when it comes to addressing sensitive topics such as human rights. Therefore, our consultants travelled mostly for trainings and workshop delivery to clients in a range of countries. Where possible, we aim to partner with local organisations or use local associates in countries where our projects are located. This will enable us to reduce international travel.

twentyfifty's actions to promote environmental responsibility and reduce impact include:

- Recycling of office waste, including paper, packaging, stationery and office products
- Reducing the amount of printed materials, reports and written correspondence
- Purchasing second-hand IT equipment where suitable
- Use of local public transport and trains for business appointments as much as possible
- Sharing car journeys where possible
- Sustainable methods of transport to work such as walking and cycling
- Supporting our team members to work from home
- Offsetting carbon on all flights

We work with carbon offsetting organisation <u>Atmosfair</u> and have succeeded in including a carbon offset into every flight purchase we made in 2018. We would like to include a clear statement to this effect in all of our standard proposals and budgets so that clients are aware of and have the opportunity to support our efforts.

In 2018, we have created an Environmental Sustainability Policy and established an internal Carbon Footprint Group and will continue to look into ways of further reducing our carbon emissions in 2019.

Lastly, we have created a Travel Manual incorporating sustainability and environmental practices and procedures for respectful behaviour towards other cultures.



Measurement

• All 78 flights undertaken were offset through Atmosfair.

Plans for 2019

In 2019, we plan to:

- Comprehensively offer opt-out carbon offsets for our project-related flight travel in our client proposals
- Continue to ensure that flight purchases include a carbon offset, or purchase an offset separately
- Continue to select, as far as possible, our business partners and suppliers based on their sustainability performance and purchase sustainably.
- Invite the whole twentyfifty community to attend a talk by Extinction Rebellion, a transformative evening of learning, relationship-building and partnership around combatting global warming and climate change.
- Set up an environmental sub-committee to fulfil on our commitment to become carbon neutral by 2025

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Anti-corruption

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

- twentyfifty seeks to practice transparent, ethical, and honest business practices. We believe that business must include honesty in all our dealings, which includes speaking plainly and not using language that will mislead or confuse those with whom we interact.
- twentyfifty has put in place management practices to meet the requirements of the UK Bribery Act (2010) and we regularly review these. We do not tolerate any forms of bribery and corruption within our own operations or by associates or clients. We have an Anti-Bribery and Anti-Corruption Policy which is available on our website and communicated to all staff, and we maintain a Gifts and Hospitality Register.

Progress in 2018: Working with clients

This year several projects allowed us to support clients to work against corruption.

Progress in 2018: In our own operations

During the year, when our staff and associates have visited high risk areas, twentyfifty has ensured that our people are properly briefed on the customs and particulars of the area. We also ensured that staff feel comfortable with all aspects of personal security and provided security briefings prior to travel via an external data provider of security and risk information.

Measurement

- Our staff have reported no incidents of being offered or asked for a bribe this year.
- Several gifts have been recorded on our gift and hospitality register.
- 10 staff have completed Drum Cussac Travel Prepare training, focussing on anti-bribery and corruption.

Plans for 2019

In 2019, we plan to:

• Provide anti-bribery and corruption training for all further employees.