



United Nations Global Compact

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Action Sustainability Asia Pacific Pty Ltd
Communication on Progress
July 2018 - September 2019

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1. Statement from the Managing Director

Action Sustainability Asia Pacific Pty Ltd’s ([Action Sustainability](#)) purpose is to “inspire sustainable business”. To achieve this, we bring together expertise and provide advisory services in sustainability strategy, strategic procurement and sustainable supply chain management, human rights, climate change and responsible investment. This integrated approach and providing both depth and breadth in strategic procurement and sustainability, is core to our business and is a key point of difference.

Our Membership of the UN Global Compact demonstrates our level of commitment to the highest sustainability standards. More than a public statement about our values, our commitment to the UN Global Compact Principles is an acknowledgement of our responsibility and accountability on human Rights, Labour, the Environment and Anti-Corruption. Our Membership and regular reporting ensures our commitment is integrated into all aspects of our operations and supply chains. Access to the UN Global Compact and Global Compact Network Australia resources ensures our staff constantly upskill in aspects relevant to their work.

In recognition of our corporate responsibility to manage and address our environmental and social impacts, we have mapped our risks and opportunities. This extends across our supply chain, but also importantly, across the services we provide to our clients, to ensure we address sustainability risks where they are most prevalent and seize opportunities to have a positive impact through our professional advice. The identification of risks and opportunities is carried out yearly and underpins our strategy across the four key aspects of this Communication on Progress.

In June this year we obtained BCorp certification which validates and reinforces our commitment to sustainability in everything we do. Certified B Corporations businesses are required to consider the impact of their decisions on their workers, customers, suppliers, community, and the environment. This is a community of leaders, driving a global movement of people using business as a force for good.

As a small business of eight dedicated staff, Action Sustainability is constantly evolving, and we recognise our responsibility to ensure our practices keep up with our pace of change to address our environmental and social impacts. This first Communication on Progress, covering the period July 2018 to September 2019, is an opportunity to us to set a baseline on which we can improve in subsequent years. We are committed to improving our sustainability track-record and to upholding the UN Global Compact’s values across all of our activities.



Mark Lyster

Managing Director

[Action Sustainability Asia Pacific Pty Ltd](#)



2. Our business

“Our purpose is to inspire sustainable business”

Action Sustainability Asia Pacific Pty Ltd was incorporated in Sydney in September 2016 by a group of energetic, passionate individuals motivated by a desire to make a real difference.

We take care in developing trusted relationships with our clients, so that together we can contribute to creating solutions for some of society’s biggest challenges. We believe in the power of determined individuals to enact lasting change. We advise a wide range of clients.

Over the last three years, we have provided support to over 60 clients, including:

- International and Australian construction companies;
- Australian local and state government agencies;
- Universities;
- Large retailers;
- Property management and investment firms;
- Investment managers; and
- Industry associations.

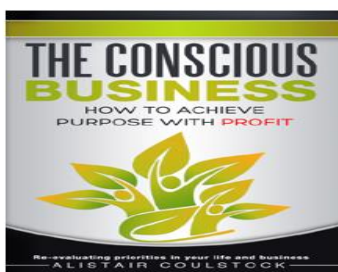
Our values

- We are inclusive, positive, and caring.
- We promote personal growth and exploration of innovative ideas.
- We believe in collaboration and teamwork.
- We value a healthy work-life balance.

Industry memberships



Thought leadership



3. 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.

Our commitment

Human Rights Policy

Our Human Rights Policy embeds our commitment to respecting human rights in all aspects of our work. In line with the UN Guiding Principles on Business and Human Rights, our Human Rights policy commitment is based on the International Bill of Human Rights (consisting of the Universal Declaration of Human Rights, the International Covenant on Civil and Political Rights and the International Covenant on Economic, Social and Cultural Rights) and the International Labour Organization’s Declaration on Fundamental Principles and Rights at Work. We are committed to respecting all internationally recognised human rights as relevant to our operations. Our principle is that where national law and international human rights standards differ, we will follow the higher standard; where they are in conflict, we will adhere to national law, while seeking ways to respect international human rights to the greatest extent possible.

To ensure its application, our commitment is also embedded into our Procurement Policy, Whistle-Blower Policy, Equal Employment Opportunity (EEO) & Anti-Bullying Policy and our Bribery & Corruption Policy.

Our Sustainable Procurement Policy outlines our commitment to purchasing products and services in line with our Human Rights Policy. We are committed to buying from brands that are showing evidence of robust management of workers’ rights issues in their extended supply chains, including through certified management systems and product / service certifications.

Common products and services we purchase include:

- Laptop, IT accessories;
- Stationery, paper, kitchenware;
- Desks, chairs;
- Food and beverage;
- Property rent and included services; and
- Banking services.

Our performance and actions

Number of human rights issues identified in this reporting year: 0

Number of internal complaints / whistle blowing: 0

Number of procurement categories assessed for human rights risks: 4 out of 12

Procurement

Our Sustainable Procurement assessment and heatmap identified IT hardware, facilities management and food and beverage as areas of medium risk for Action sustainability. Products sourced (e.g.

laptops, tea, coffee etc.) typically have complex supply chains outside of Australia. Common human rights risks for these products include sourcing child labour or conflict minerals in the manufacturing of laptops and use of child labour in the production of coffee in several countries.¹ As such, our Sustainable Procurement Strategy has identified those items as priorities for us.

Over the past year, we have allocated specific responsibilities to each staff in the implementation of our Sustainable Procurement Policy across key areas. This serves to ensure staff are engaged in the implementation of our policies, and also helps measure progress. In 2018, we also adopted the Good Environment Choice Australia's Positive Procurement Pledge.

We have mapped our risks and opportunities across our supply chain to ensure we address human rights risks where they are most prevalent and seize opportunities to have a positive impact. This exercise will be carried out yearly to ensure new human rights threats and opportunities are identified.

Through this exercise, we have found that our main sustainability risks lie in our property and rent spend, where we have low visibility of sub-contractors' working conditions (e.g. cleaning contractors) and little control over our waste management solution, which is managed by our property manager. These findings were integrated into staff responsibilities for sustainable procurement.

Staff awareness

Our team includes Modern Slavery and Human Rights specialists who regularly advise clients from multiple sectors on rolling-out their human rights and modern slavery strategies within their organisations. Building on these internal skills, our team regularly share insights through short presentations on particular projects, events they attended, or methodologies developed.

Our Volunteering policy also enables staff to devote 2 days per year for voluntary activities that fit with the company's values and goals. These two days of paid community service leave should contribute to the greater community good. Through this incentive, staff are encouraged to have greater social impact through their employment at Action Sustainability.

Industry leadership

We strive to generate greater awareness on human rights issues and influence our stakeholders through a number of thought leadership initiatives.

Our Managing director Mark Lyster chairs the Responsible Investment Association of Australia's (RIAA) Human Rights Working Group. As part of our involvement with RIAA, our team has contributed to setting up a multi-stakeholder project to raise awareness on the human rights impacts of climate change for Australian investors, including drafting a discussion paper and organising a formal consultation process.

Looking forward

As a small company, allocating resources to sustainable procurement has been key to the implementation of our policies. Our BCorp certification has encouraged us to set specific goals and monitor the implementation of our strategies. Improvement areas identified for the next year include:

¹ See Verite Responsible Sourcing Tool (2018), available at: <https://www.responsiblesourcingtool.org/visualizerisk>

- Ensuring we conduct due diligence of all of our procurement categories to screen human rights risks;
- Incorporate sustainable procurement updates in team meetings to ensure staff are keeping on track of their allocated objectives; and
- Developing a database of products that meet Action Sustainability's sustainability expectations (e.g. certified fair-trade tea and coffee).

4. 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.

Our commitment

Employee Code of Conduct

Our Employee Code of Conduct builds on our human rights commitment and outlines the company's commitment to respecting our Employee's human rights whilst ensuring our services are delivered with high standards of professionalism.

Our employees contribute to the success of our organisation and that of our clients. Action Sustainability fully endorse that all employees are not deprived of their basic human rights. Furthermore, our employees have an obligation to the Business, our clients and themselves to observe high standards of integrity and fair dealing. Unlawful and unethical business practices undermine employee and client trust.

Our staff onboarding process ensures new Action Sustainability employees are aware of the company's human rights and labour rights commitment and its implications for staff.

Our staff induction checklist that is to be filled out prior to a new staff member starting and runs through other procedures and manuals. Importantly, existing and new staff are given the opportunity to provide feedback on the quality and comprehensiveness of the onboarding process to ensure continuous improvement.

Equal Employment Opportunity (EEO) & Anti-Bullying Policy

Our EEO & Anti-Bullying Policy applies to all staff and contractors. It outlines our commitment to providing a workplace free from discrimination, sexual harassment and bullying. Behaviour that constitutes discrimination, sexual harassment or bullying is not to be tolerated and will lead to action being taken, which may include dismissal.

Any employee found to have contravened this policy will be subject to disciplinary action, which may include dismissal as outlined in the complaint procedure below. Employees must report any behaviour that constitutes sexual harassment, bullying or discrimination to their line Director. Employees will not be victimised or treated unfairly for raising an issue or making a complaint.

Complaints procedure

Underpinning the effectiveness of our EEO & Anti-Bullying Policy, our complaints procedures ensures any employee complaint is treated as fairly, compassionately and confidentially as possible. Our policy includes guidance for employees on how to raise a complaint, as well as strict guidelines to be followed by directors in the treatment of a complaint.

Procurement Policy

Similar to our human rights commitment, our Sustainable Procurement Policy embeds how Action Sustainability considers labour and human rights in its procurement processes. We are committed to buying from brands that are showing evidence of robust management of workers’ rights issues in their extended supply chains, including through certified management systems and product / service certifications.

Common products and services we purchase include:

- Laptop, IT accessories;
- Stationery, paper, kitchenware;
- Desks, chairs;
- Food and beverage;
- Property rent and included services; and
- Banking services.

Our performance and actions

Number of labour issues identified in this first year: 0

Number of internal complaints regarding labour rights: 0

Creating an inclusive workplace

Providing a safe and inclusive workplace is at the heart of Action’s Sustainability’s values and being a certified B Corporation. A key topic we focused on this year, in light of the global MeToo movement and its relevance to businesses, was the issue of creating safe workplace for women.

On International Women’s Day, a team of 3 female employees of Action Sustainability were tasked to develop a presentation on the topics of unconscious bias, workplace discrimination and their ramifications in a work environment. Over a 1-hour lunch, the team was invited to reflect and discuss behaviours that were inclusive, versus those that were not.

This event enabled staff to comment on these issues and bring up discussion point for where we could improve in the coming year. It enabled directors and staff to have a safe discussion on the contentious, challenging, yet fundamental topic of workplace inclusion and discrimination. Importantly, the presentation opened up to a broader discussion on the topic of diversity and creating safe spaces for other marginal groups.

Procurement

As explained in the Human Rights section above, our team has used our proprietary spend ‘heat map’ tool to assess Action Sustainability’s exposure to labour and human rights risks in its supply chains.

We have mapped our risks and opportunities across our supply chain to ensure we address labour risks where they are most prevalent and seize opportunities to have a positive impact. This exercise will be carried out yearly to ensure new threats and opportunities are identified.

Through this exercise, we have found that main labour risks lie in our property and rent spend, where we have low visibility of sub-contractors' working conditions (e.g. cleaning contractors). These findings were integrated into staff responsibilities for sustainable procurement, with specific actions to undertake more in-depth due diligence on working conditions for sub-contractors.

Looking forward

The success of our International Women's Day event motivated our team to conduct more staff events to raise awareness on the condition of other marginalised groups. Actions to carry out in the next year include:

- Maintaining a calendar of internal awareness events on common social issues (e.g. refugees; Indigenous recognition; LGBTQ rights); and
- Continue to update and monitor the identification of labour risks in our supply chains.

5. 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.

Our commitment

Environmental Best Practice

Action Sustainability's purpose is to inspire sustainable business. To achieve this, Action Sustainability abides by the precautionary approach to environmental challenges we face in our operations. We ensure all staff understand our position by integrating our Environmental Best Practice commitment into our staff handbook and staff onboarding process.

Our commitment is expressed in our [Sustainability Policy](#), embedded in our operations and services as well as the products and services we buy.

Our environmental commitments in our operations and supply chains are:

- Investigate ways to reduce consumption or recycle waste;
- Publish monthly energy and water use on the staff notice board including savings made, and report on greenhouse gas emissions;
- Give preference to maintenance and other contractors using green products;
- Endeavour to measure the impact and value of our services and report these on a regular basis;
- Reduce our footprint from business travel and commuter travel where possible by promoting use of technology rather than face to face meetings and promoting the use of low carbon transport systems;
- Recognise that climate change is a major societal threat and we will measure, reduce and offset our energy consumption in line with best practice; and
- Report progress on our Commitments on an annual basis.

Our actions

Reduce & reuse

Our team have developed a culture of reuse within the office. Staff are encouraged to only use reusable containers (food containers and coffee cups). This has also influenced other companies within our buildings to adopt a similar approach and has substantially reduced our office waste.

Recycle

Where we do consume materials, they are source separated. We have implemented source separation of recyclables in the office and encourage staff to ask their peers if unsure about the recyclability of certain materials. We constantly monitor levels of waste and recyclables and try to find new solutions to keep our footprint in check (e.g. recycling soft plastics).

Improve

As part of our BCorp Certification, we have started a waste monitoring program to ensure we understand the composition of our office waste and target the largest sources. This program will also enable us to identify cross contamination in office bins and opportunities to educate staff on source separation.

Carbon Neutrality

As a commitment to reducing our impact on climate change, for the 2019 Financial Year we offset all our energy and transport operations by purchasing Verified Carbon Standard offsets, derived from solar power.

Industry leadership

Jean-Louis Haie, our Director of Sustainable Procurement and Supply Chain Management services, has led the Australian delegation during the development of the ISO20400 standard. Action Sustainability has been actively involved in the management of the ISO20400.org website and has recently published a [benchmarking study](#) of 40 organisations on their sustainable procurement performance.

Looking forward

Our BCorp certification has been a major catalyst in better understanding our footprint and ensuring we are tracking against our objectives. Looking forward, we have set to undertake the following improvement initiatives:

- Develop and implement a staff Bike Policy to facilitate the uptake of cycling for staff and ensure they understand relevant regulations in place in New South Wales regarding cyclists;
- Engage with office cleaners to understand their practices and ensure recyclables are sent to a recycling facility;
- Record energy usage and strive to reduce our footprint; and
- Measure our waste footprint through our waste monitoring program, reflect on results and address key issues identified.

6. Anti-Corruption

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

Our commitment

Anti-Bribery Policy

Our commitment to upholding the highest standards of ethical behaviour is expressed in our Anti-Bribery Policy, an integral part of our Staff handbook. Our expectations of staff regarding bribery, corruptions and the acceptance of gifts are also clearly outlined in our Employee Code of Conduct.

Action Sustainability is committed to ethical behaviour and the principles of financial probity, accountability, transparency and integrity, which is reflected in our core values. Action Sustainability does not tolerate any form of bribery or corruption by any employee or party who it works with. All staff and Board Members are expected to act with integrity and to a high standard of conduct at all times; if a staff member is in any doubt as to whether a potential act constitutes bribery, they can seek guidance from their Line Director in the first instance, or the Senior Management Team.

To ensure compliance with the policy, senior management carries out a risk assessment to determine the potential risk within different business areas and to implement the appropriate level of controls required and identify any areas which need to be improved. The risk assessment will be regularly reviewed and updated, including the incorporation of any new businesses or activities.

Our performance and actions

<i>Number of breaches of the Anti-Bribery Policy this reporting year: 0</i>

<i>Number of internal complaints / whistle blowing: 0</i>

Action Sustainability takes its commitment to fight corruption and bribery very seriously. Our commitment to high ethical and professional standards is clearly communicated to all employees. As such, our policy integrates a requirement for staff to cooperate with any investigations into corruption of bribery by making available any relevant information.

Given the absence of any reported breaches of use of our Whistle-blower Policy on bribery and corruption related matters this reporting year, we have not carried out specific activities on this matter.

Looking forward

Despite the absence of breaches or issues regarding bribery and corruption this year, Action Sustainability will avoid complacency by our processes are efficient in preventing any future occurrence. Our future actions include:

- Monitoring the efficiency of our internal processes to prevent bribery and corruption instances and continue to educate staff on the matter.