

# UN GLOBAL COMPACT COMMUNICATION ON PROGRESS 2019

**Statement of continuing support September 2019** 





# **UN Global Compact Communication on Progress 2019 Statement of Continuing Support**

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

We live in a time of political uncertainty, growing economic division and social unrest around critical issues like climate change and inequality. Over the last year, Neighbourly has worked hard to help businesses to understand the role they need to play in tackling such challenges, through financial contributions, employee engagement initiatives and product surplus redistribution. All of the 11k+ charities and community projects listed on Neighbourly are linked to the SDGs, giving an overview of the total contribution of businesses using Neighbourly within the framework of the SDGs.

2019 has been a year where businesses around the world have (been) woken up to the impact and realities of purely focusing on maximising shareholder value. This was perhaps most publically recognised by the US based Business Roundtable <sup>1</sup> redefining the purpose of a corporation, their move away from shareholder primacy and a commitment to all stakeholders. Closer to home, this was followed by the Financial Times <sup>2</sup> calling for a reset to capitalism and their belief that "the long-term health of free enterprise capitalism will depend on delivering profit with purpose". The need for this realignment in the UK is no better evidenced than in the report by the UN Special Rapporteur on extreme poverty and human rights <sup>3</sup>, which states 20% of the UK now lives in poverty, with 4m people greater than 50% below the poverty line.

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

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

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

Steve Butterworth

Chief Executive Officer

<sup>1</sup> Business Roundtable

<sup>2</sup> Financial Times

<sup>3</sup> UN Special Rapporteur

### **Human Rights**

#### Principle 1

Businesses should support and respect the protection of internationally proclaimed human rights; and;

#### **Principle 2**

make sure that they are not complicit in human rights abuses The team at
Neighbourly have set
out our commitment to
human rights through a
range of internal and
publicly available
documents.

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

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

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

We continue to take steps to ensure that our business activities deliver a positive impact on our employees and ensure that we only work with clients and suppliers that support and respect the protection of internationally proclaimed human rights.

Our Employee Handbook is underpinned by the Human Rights Act 1998 and clearly sets out to employees that it is essential all members of Neighbourly behave with dignity, courtesy and respect, acting in a non-discriminatory manner at all times and with all stakeholders. The Employee Handbook is in the process of being updated and enhanced as the business grows and faces new challenges, without compromising the values on which the business was established.

Our Responsible Sourcing Policy and Assessment Framework continues to inform the purchasing decisions of the Neighbourly team when selecting a supplier, setting out the principles and processes by which we will assess the credentials of prospective suppliers. It specifically sets out that we will not tolerate child labour or any form of modern day slavery in our suppliers. We reserve the right to terminate arrangements with any organisation not complying with these principles.

Due to the nature of our work, we interact on a daily basis with socially vulnerable and disadvantaged community groups. We have consistently subscribed to rigorous vetting procedures to ensure these stakeholders are not complicit in human rights abuses and respect the protection of internationally proclaimed human rights. In the last year, we have introduced and trained the community team on a new complaints procedure to safeguard all our stakeholders.

At the beginning of 2019 we moved office, significantly improving the working environment for all employees, which has introduced numerous staff wellbeing benefits including increased breakout areas and co-working space. We have also introduced regular company meetings that ensures all staff are up to speed on company performance and have the opportunity to question the senior management team in an open forum on business progress and the financial health of the business.

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

We consider robust labour practices as fundamental for attracting, developing and retaining the talented people that make us leaders in our field.

Neighbourly has seen a 25% increase in staff over the last year, with the company made up of 55% women and 45% men across the workforce. The Senior Management team is split 50%: 50%, while the executive team is 75% men and 25% women, in comparison to 83%: 17% a year ago.

14% of the team would identify with being from an ethnic minority background with equal opportunities guaranteed for all employees, in what is a collaborative and supportive team environment. Flexible and part time working is offered where possible and temporary contracts are converted into full time permanent roles at every opportunity.

#### Labour

# **Principle 5**

the effective abolition of child labour; and;

# Principle 6

the elimination of discrimination in respect of employment and occupation Our aim is to support and develop employees in their role so that they feel confident to undertake the responsibilities placed upon them and ultimately are able to contribute to the success of our mission. Our Ethics Policy publicly sets out our responsibility to each other:

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

#### **Environment**

# **Principle 7**

Businesses should support a precautionary approach to environmental challenges;

# **Principle 8**

undertake initiatives to promote greater environmental responsibility; and;

#### **Principle 9**

encourage the development and diffusion of environmental ly friendly technologies

In line with our B-Corp status, we seek to reduce the environmental impact of our own business and provide services to help corporate organisations reduce theirs too. Our work involves helping businesses use their scale to tackle current and future social and environmental challenges facing society in all the communities where they operate. We have continued to work to increase awareness of and change behaviour around environmental issues.

We operate 'Neighbourly Food', which is now the UK's leading back of store food surplus redistribution programme. In addition to being a signatory of the Courtauld 2025 commitment, we have supported the 'Step up to The Plate' initiative launched by the Government in May 2019 to help halve food waste by 2030 and regularly attend steering committee and advisory group meetings. We have continued to work closely with WRAP to help our partners to implement the TMA reporting structure to track progress against their goals and increase adoption across the food and drink industry.

Our food surplus redistribution programme has now redistributed over 17 million meals (up from 5.6m meals last year) that would have otherwise gone to waste and this has led to savings of over 25k tonnes of CO<sup>2</sup> since 2016.

Our new office has recently increased the bicycle storage facilities and added more showering facilities to help encourage as many employees as possible to bike to work to reduce the environmental footprint caused by commuting.

Our new offices also proactively promote waste recycling and we actively encourage staff to use these.

#### **Anti-corruption**

#### Principle 10

Businesses should work against corruption in all its forms, including extortion and bribery Our ethical policy sets out that we will not accept favours or bribes or allow personal affiliations to influence the award of contracts. Our Employee Handbook outlines the relevant policy and grievance procedures so that employees are familiar with how to raise concerns about any form of corruption arising in the context of their work. There has been no reported incidents over the last year, with the company maintaining a zero tolerance position on corruption in all its forms.



# Contribute

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

# Re-connect

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

# Celebrate

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



