

UN GLOBAL COMPACT

COMMUNICATION ON PROGRESS 2019

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UN Global Compact

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UN Global Compact



STATEMENT OF SUPPORT FROM EMMANUEL DADZIE, CEO EKBD CONSULT

Ekbd Consult has participated in the United Nations Global Compact since 2015. Ekbd Consult remains committed to its ten principles and to promoting the Global Compact wherever we operate. As CEO of Ekbd Consult, I am proud to confirm our continued support for this important initiative.

The UN Global Compact's ten principles are reflected in Ekbd Consult's policies, standards and guidance and are embedded in our overall approach to sustainable development. Among other actions taken, we have enhanced our commitment to human rights: we refreshed our human rights policy to reflect the UN Guiding Principles on Business and Human Rights, and adopted a new set of *Procurement principles* which includes our expectations of suppliers in respecting human rights. We have also launched our new *Business integrity (anti-corruption) standard* to assist our businesses and employees in countering bribery and corruption.

The Ten Principles

The Global Compact asks companies to embrace, support and enact, within their sphere of influence, a set of core values in the areas of human rights, labour standards, the environment, and anti-corruption:

The principles enjoy universal consensus and are derived from:

- The Universal Declaration of Human Rights
- The International Labour Organization's Declaration on Fundamental Principles and Rights at Work
- The Rio Declaration on Environment and Development • The United Nations Convention Against Corruption

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.

LABOUR STANDARDS

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.

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.

ANTI-CORRUPTION

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

GC Advanced Level Self-Assessment

Below is our self-assessment on how we have met the GC Advanced Level criteria. We consider a criterion is met when we communicate its implementation or planned implementation of one or more of the commonly accepted best practices suggested under each criterion.

STRATEGY, GOVERNANCE AND ENGAGEMENT

Criterion 1: The COP describes key aspects of the company's high-level sustainability strategy in line with Global Compact principles

BEST PRACTICE

Impact of broader sustainability trends on the long-term prospects and financial performance of the organization. Major sustainability risks and opportunities in the near to medium term (3-5 years). Social and environmental impact of the Organization's activities. Overall strategy to manage sustainability impacts, risks and opportunities in the near to medium term (3-5 years). Key performance indicators to measure progress.

Criterion 2: The COP describes effective-decision processes and systems of governance for corporate sustainability

BEST PRACTICE

Involvement and accountability of management (C-suite) in developing corporate sustainability strategy in line with Global Compact principles and overseeing its implementation. Corporate governance structure (Board of Directors or equivalent) and its role in oversight of long-term corporate sustainability strategy and implementation in line with Global Compact principles. Goals and incentive schemes for management (C-suite) to promote sustainability strategy in line with Global Compact principles.

Criterion 3: The COP describes engagement with all important stakeholders

BEST PRACTICE

Regular stakeholder consultations in the area of human rights, labour, environment and anti-Corruption List of stakeholder groups engaged by the organization Process for stakeholder identification and engagement Outcome of stakeholder involvement Process of incorporating stakeholder input into corporate strategy and business decision making

Criterion 4: The COP describes actions taken in support of broader UN goals and issues

BEST PRACTICE

Adoption or modification of business strategy and strategies of operating procedures to maximize contribution to UN goals and issues Development of products, services and business models that contribute to UN goals and issues Social investments and philanthropic contributions that tie in with the organization's core competencies, operating context and sustainability strategy Public advocacy on the importance of one or more UN goals and issues Partnership projects and collective actions in support of UN goals and issues

Human Rights Implementation

Criterion 5: The COP describes robust commitments, strategies or policies in the area of human rights

BEST PRACTICE

Commitment to comply with all applicable laws and respect internationally recognized human rights, wherever the company operates Statement of policy expressing commitment to respect and support human rights approved at the most senior level of the company Statement of policy stipulating human rights expectations of personnel, business partners and other parties directly linked to operations, products or services Statement of policy publicly available and communicated internally and externally to all personnel, business partners and other relevant parties

Criterion 6: The COP describes effective management systems to integrate the human rights principles

BEST PRACTICE

Internal awareness-raising and training on human rights for management and employees

Operational-level grievance mechanism for those potentially impacted by the company's activities Allocation of responsibilities and accountability for addressing human rights impacts Internal decision-making, budget and oversight for effective responses to human rights impacts Processes to provide for or cooperate in the remediation of adverse human rights impacts that the company has caused or contributed to

Criterion 7: The COP describes effective monitoring and evaluation mechanisms of human rights integration

BEST PRACTICE

System to monitor the effectiveness of human rights policies and implementation, including in the supply chain Monitoring drawing from internal and external feedback, including affected stakeholders Leadership review of monitoring and improvement results Process to deal with incidents

Criterion 8: The COP describes key outcomes of human rights integration

BEST PRACTICE

External and formal reporting of operations or operating contexts that pose risks of severe human rights impacts **Outcomes** of processes of remediation of adverse effects of human rights impacts.

Labour Principles Implementation

Criterion 9: The COP describes robust commitments, strategies or policies in the area of labour

BEST PRACTICE

Reference to relevant international conventions and other international instruments

Reflection on the relevance of the labour **principles** for the company **written** company policy on labour

Inclusion of minimum labour standards in contracts with suppliers and other relevant business partners Specific commitments and goals for specified years

Criterion 10: The COP describes effective management systems to integrate the labour principles

BEST PRACTICE

Internal awareness-raising and training on the labour principles for management and employees
Grievance mechanism, communication channels and other procedures for reporting concerns or seeking advice

Criterion 11: The COP describes effective monitoring and evaluation mechanisms of labour principles integration

BEST PRACTICE

Leadership review of monitoring and improvement results Process to deal with incidents

Criterion 12: The COP describes key outcomes of integration of the labour principles

BEST PRACTICE

Outcomes of due diligence and follow-up efforts to uphold the freedom of association right to collective bargaining Outcome of due diligence and follow-up efforts to eliminate forced labour
Outcomes of due diligence and follow -up efforts to abolish child labour Outcome of due diligence and follow-up efforts to eliminate discrimination

Environmental Stewardship Implementation

Criterion 13: The COP describes robust commitments, strategies or policies in the area of environmental stewardship

BEST PRACTICE

Reference to relevant international conventions and other international instruments
Reflection on the relevance of environmental stewardship for the company

Written company policy on environmental stewardship Inclusion of minimum environmental standards in Procurement Principles contracts with suppliers and other relevant Business partners Specific commitments and goals for specified years

Criterion 14: The COP describes effective management systems to integrate the environmental principles

BEST PRACTICE

Environmental risk and impact assessments of lifecycle impacts of products, ensuring environmentally sound end-of-life management policies

Criterion 15: The COP describes effective monitoring and evaluation mechanisms for environmental stewardship

BEST PRACTICE

System to track and measure performance based on standardized performance metrics **Leadership** review of monitoring and improvement results

Criterion 16: The COP describes key outcomes of integration of the environmental principles

BEST PRACTICE

Indicators on uses of materials and energy **Indicators** on emissions, effluents, and waste Indicators on the company's initiatives to promote greater environmental responsibility Indicators on the development and diffusion of environmentally friendly technologies

Anti-Corruption Implementation

Criterion 17: The COP describes robust commitments, strategies or policies in the area of anti-corruption

BEST PRACTICE

Publicly stated formal policy of zero-tolerance of corruption Commitment to be in compliance with all relevant anti-corruption laws, including the implementation of procedures to know the law **and** monitor changes statement of support for international and regional legal frameworks, such as the UN Convention against Corruption Policy on anti-corruption regarding business partners

Criterion 18: The COP describes effective management systems to integrate the anti-corruption principle

BEST PRACTICE

Support by the organization's leadership for anti- corruption Human Resources procedures supporting the anti- corruption commitment or policy, including communication to and training for all employees Internal checks and balances to ensure consistency with the anti-corruption commitment Actions taken to encourage business partners to implement anti-corruption commitment

Management responsibility and accountability for implementation of the anti-corruption commitment or policy Communications (whistle blowing) channels and follow-up mechanisms for reporting concerns or seeking advice Internal accounting and auditing procedures related to anticorruption

Criterion 19: The COP describes effective monitoring and evaluation mechanisms for the integration of anti-corruption

BEST PRACTICE

Leadership review of monitoring and improvement results **Process** to deal with incidents **use** of independent external assurance of anti- corruption programmes

Criterion 20: The COP describes key outcomes of integration of the anticorruption principle

BEST PRACTICE

Outcomes of mechanisms for reporting concerns or seeking advice Indicators Human Resources procedures supporting the anti-corruption commitment policy

Value Chain Implementation

Criterion 21: The COP describes implementation of the Global Compact principles in the value chain

BEST PRACTICE

Policy on value chain, including a policy for suppliers and subcontractors Communication of policies and expectations to suppliers and other business partners

Transparency and Verification

Criterion 22: The COP provides information on the company's profile and context of operation

BEST PRACTICE

Legal structure, including any group structure and ownership Countries where the organization operates, with either major operations or operations that are specifically relevant to sustainability Markets served (including geographic breakdown, sectors served, and types of Customers beneficiaries Primary brands, products, and/or services Direct and indirect economic value generated for various stakeholders (employees, owners, government, lenders, etc)

Criterion 23: The COP incorporates high standards of transparency and disclosure

BEST PRACTICE

COP uses the Global Reporting Initiative (GRI) Sustainability Reporting Guidelines COP includes comparison of key performance indicators for the previous year's Board, where permissible, approves COP and other formal reporting on corporate sustainability Relevant sustainability information from COP is included in annual financial report and filings

Criterion 24: The COP is independently verified by a credible third-party

BEST PRACTICE

Accuracy of information in COP is verified against assurance standard Accuracy of information in COP is verified by independent auditors

Principle 1

Business should support and respect the protection of internationally proclaimed human rights

GRI G3 indicator: HR1, HR2, HR6, HR7

OUR APPROACH

We support and respect human rights consistent with the United Nations Universal Declaration of Human Rights and actively seek to ensure we are not complicit in human rights abuses committed by others.

The new approach has its foundations in human rights due diligence, carried out as part of our corporate processes, which allocate clear accountability to business units to manage human rights risks.

Our human rights policy and procedures are supported by an online ethics and compliance training system. The training programme is now being refreshed. This will include more tailored action-learning training for high risk sites and functions.

Principle 2

Make sure that they are not complicit in human rights abuses

GRI G3 indicator: HR1, HR2

OUR APPROACH

Where human rights are threatened, we seek to have international standards upheld and to avoid any involvement in human rights abuses, including through misuse of our equipment and facilities.

Our Human Rights Policy states that through appropriate contractual arrangements and procurement principles, we expect that our consultants, agents, contractors and suppliers will be made aware of and comply with all their dealings with or on behalf of the recently revised set out our expectations that suppliers maintain policies that respect basic human rights and dignity, without distinction on any basis, including the rights to life, liberty, and security of person, freedom from slavery and cruelty, and equal protection under relevant laws and constitutions. Suppliers are expected to have a process to assure compliance.

Our Human Rights Policy also notes that in our dealings with joint venture partners and non-controlled companies in which we participate, we will make every effort to ensure that the standards of conduct in *The way we work* are respected at all times.

Our procedures draw on and are consistent with our commitment to, and active participation. These procedures include guidelines and restrictions on the use of force, and are reinforced by security and human rights risk assessments for high risk sites, incident reporting, and training for Group employees and contract security personnel. We also actively encourage human rights training for public security where we identify a gap, and help to facilitate this training in certain circumstances.

CASE STUDIES

Why Human Rights Are Our Business

While we have done much good work in the area of human rights, we are evolving our approach to continue to improve our human rights performance.

Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining

GRI G3 indicators: LA4, LA5, HR5

OUR APPROACH

Principle 3

We recognize everyone's right to choose whether or not they wish to join a union consistent with local labour laws. We recognize the right of all employees to choose to belong to a union and seek to bargain collectively.

Principle 4

The elimination of all forms of forced and compulsory labour

GRI G3 indicators: HR7

OUR APPROACH

We do not use or employ forced or bonded labour. We require all recruitment to be consistent with the human rights policy, equal opportunity requirements, relevant employee protection legislation and appropriate pre-employment screening.

We employ people on the basis of job requirements and do not discriminate on grounds of age, ethnic or social origin, gender, sexual orientation, politics, religion or disability. It is of great importance to us that our employees are properly trained, and that they work in safe, healthy and environmentally responsible ways.

Our business codes of practice are designed to ensure that all staff reflects in their daily work the high ethical standards set by the company. We continued to implement its ethical guidelines for the economic, social and environmental aspects of their activities to ensure their product had not been processed by forced labour or in sweatshops.

Principle 5

The effective abolition of child labour

GRI G3 indicators: HR6

OUR APPROACH

We do not use or employ child labour.

Our guiding principles are designed to ensure that all staff reflects in their daily work the high standards and code of ethics set by the company. We continued to implement its ethical guidelines for the economic, social and environmental aspects of the activities to reassure their product has not been processed by child labour.

Principle 6

The elimination of discrimination in respect of employment and occupation

GRI G3 indicators: LA8, LA13, LA14, HR4

OUR APPROACH

We require all recruitment to be consistent with the human rights policy, equal opportunity requirements and relevant employee protection legislation. We believe that diversity improves business outcomes. Wherever we operate, and across every part of our business, we strive to create an inclusive culture in which difference is recognized and valued. By bringing together men and women from diverse backgrounds and giving each person the opportunity to contribute their skills, experience and perspectives, we believe that we are best able to develop innovative solutions to challenges and deliver sustainable value for our clients and its stakeholders.

What diversity and inclusion means for Ekbd Consult:

- Embracing workforce diversity – age, gender, race, national or ethnic origin, religion, language, political beliefs, sexual orientation, physical ability;
- Valuing diversity of perspective – leveraging the diverse thinking, skills, and experience and working styles of our employees and other stakeholders;
- Building a flexible organization – providing opportunities for work arrangements that accommodate the diverse needs of individuals at different career and life stages;
- Respect stakeholder diversity – developing strong and sustainable relationships with diverse shareholders, communities, employees, governments, customers and suppliers.

We are committed to diversity, and aim to build an environment of inclusion where all differences are valued. Long and short term initiatives are prioritized based on need and impact. We use the following to drive action and build awareness about diversity and inclusion:

- Governance models
- Policies, practices and targets
- Leadership and cultural competence
- Stakeholder relationships
- Education and communication

Currently we are focused on increasing the representation of women and people from nationalities which are under-represented in our workforce.

We have designed an integrated graduate talent strategy to improve the way we attract, develop and retain graduates in our business.

We actively favour employment where local candidates meet job requirements and laws provide. Where local capacity does not meet our employment standards we, in partnership with communities and government, implement programmes to develop skill levels and work readiness.

Our Group diversity targets for 2018 are:

- Women to represent 20 per cent of our senior management;
- Women to represent 40 per cent of our graduate intake;
- Fifteen per cent of our graduate intake to be nationals from regions where we are developing new businesses.

Some of the activities and initiatives relating to diversity that we undertook during 2016 are:

- Establishment of a Group Diversity and Inclusion Council, an internal executive advisory group helping to drive necessary changes to our processes and culture to gain the full business benefits of diversity and inclusion.
- Establishment of a diversity champions network to share best practice across businesses, geographies and functions and support the work of the Diversity and Inclusion Council.
- Development of a Group Diversity and Inclusion Policy that sets out principles and guides the direction for diversity and inclusion efforts.
- Amendment to the terms of reference of the Remuneration committee to formalize its responsibility to review remuneration by gender across the Group.
- Pilot training programmes in unconscious bias to help minimize the impact of bias in recruitment and development practices and extension of cultural competency training to enhance our capability to grow and globalize the Company.

Principle 7

Business should support a precautionary approach to environmental challenges

GRI G3 indicators: 4.11, EN26

Our approach

We accept the need for greater climate change action and we support a precautionary approach to environmental challenges.

We believe that emissions of greenhouse gases (GHGs) resulting from human activities are contributing to climate change, and that avoiding human-caused changes to the climate is an important international goal. It is critical that we position ourselves for future carbon constraints and climate regulation. Performance expectations need to be set, plans implemented, improvements measured and follow-up actions made. High quality and timely information is necessary to maintain the improvement focus, encourage success and to correctly and reliably communicate our emissions internally and externally.

Setting targets and regular reporting against these targets is a priority and helps us to manage our performance. Reduction of our GHG intensity index is a Group key performance indicator. To achieve this target major investment is being made in new plants and technology. The operating efficiency of our ongoing operations is also critical.

With an anticipation of more widespread carbon pricing affecting our operations, accounting and reporting obligations will also increase. We are preparing for this by testing guidance material for the collection of emissions data to meet strict of audit requirements.

Access to water is also critical to our operations. We use water at every stage of our business. Each of our operations has its own set of water challenges. Some are located in water-scarce environments, while other operations need to manage surplus water from storms or groundwater. The quality of water is also a consideration as it affects production or increases operating costs. As a result, each of our operations implements our water strategy in its own way.

As there is generally a higher community and environmental demand for freshwater than poor quality water, we consider how much freshwater we withdraw to be one of our key indicators for our water performance.

Principle 8

Undertake initiatives to promote greater environmental responsibility

GRI G3 indicators: EN2, EN11, EN21, EN26, MM3, 4.14

Our approach

We seek to be the acknowledged leader in environmental performance by demonstrating good stewardship of natural resources by reducing our environmental footprint and meeting community expectations to support sustainable development. Respect for the environment is central to our approach to sustainable development. We constantly look to improve our performance through consistent application of our environmental standards globally.

Climate Change and energy use

We analyze the effects on our businesses of carbon regulation aimed at reducing emissions, including assessment of the impact of carbon prices and the impact on demand for our products. We maintain an ongoing engagement with governments in the jurisdictions where we operate, applying our extensive understanding of climate policy and regulation to help secure timely and well-designed policies and regulations on emissions reductions.

Water

We take a strategic approach to managing water that incorporates social, environmental and economic aspects. We developed our [strategy](#), after broad internal and external consultation. It provides a framework for managing water, and for improving our performance across the social, environmental, and economic aspects of water management.

Land

We aim to find and develop high-value, long-life and low-cost. To achieve these aims, we have developed an internal system which is mandated across all operations. The intent of this standard is to develop management plans, programmes and procedures to ensure sustainable stewardship of the land that we own, leases or manages to fulfill corporate, community and other stakeholders' expectations for beneficial land-use that can be supported and sustained into the future.

The review will be aimed at improving the internal management infrastructure including performance measurement and accountability, integration of rehabilitation into all aspects of improving technical support, knowledge sharing and transfer and a greater investment in research and development.

Biodiversity

To us, biodiversity refers to the variety of life on Earth – the different animals, plants and micro-organisms, their genes and the ecosystems of which they are a part. Impacts on biodiversity make our projects sensitive for regulators, external stakeholders and employees. Our business success depends on our ability to manage these issues.

Through our biodiversity strategy, our goal is to have a “net positive impact” (NPI) on biodiversity. This means minimizing the impacts of our business and contributing to biodiversity conservation to ensure a region ultimately benefits from our presence

Principle 9

Encourage the development and diffusion of environmentally friendly technologies

GRI G3 indicators: EN2, EN26, EN27

Our approach

We strive to improve the energy efficiency of all our operations. In addition to improving the energy efficiency of our operations, we are seeking to reduce the energy intensity of new projects through energy efficient asset design, the use of alternate sources of energy and the development of step change technologies for several of our products. Technology development will be at the heart of improved energy solutions.

We have an industry-leading knowledge and understanding of fossil fuel, nuclear and renewable generation technologies:

Step changes in power generation technology are required to achieve ambitious climate change goals. We believe that government should invest revenues from emissions trading scheme into developing and deploying low emission technologies.

Principle 10

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

GRI G3 indicators: SO2, SO3, SO4

Our approach

We prohibit bribery and corruption in all forms. We do not offer, promise, give, demand or accept any bribe or other undue advantage, whether directly or indirectly to obtain, retain or direct business or to secure any other improper advantage in the conduct of business. Nor do we allow gifts, entertainment and per diem reimbursements to be given or received as a reward or encouragement for preferential treatment.

It places clear limits on permissible gifts, entertainment, travel and per diem reimbursements, above which managerial approvals are required, and requires recording of benefits (above nominal amounts) given or accepted.

Our businesses must consider and address bribery and corruption risks as part of their ongoing risk management practices. This includes performing appropriate due diligence when engaging third parties, entering into partnerships or acquiring companies.

Our *Compliance standard* sets out a process by which each Group business must: establish an audit forum; monitor compliance with internal and external material obligations; and provide annual compliance reports. Each year, the leaders of Group businesses confirm (or explain) that our internal controls are operating effectively throughout and that our businesses are compliant with our financial and non-financial policies, standards and mandated practices, including those set out in *The way we work*, our global code of business conduct. It is mandatory for all our employees to adhere to the principles and policies and to undertake training on it.

Speak-OUT, our whistle blowing programme, offers an avenue where our employees and others can report anonymously if they so choose, subject to local law, any significant concerns about any aspect of the business, or behaviour of individuals, including suspicion of violations of financial reporting, safety or environmental procedures or business integrity issues generally. This programme is confidential and is independently operated by an external service provider. In addition to the reports received by our Group business leaders, monthly reports are also distributed directly to the Chief executive and the global head of Compliance. The service is provided every day around the clock; real time translations are available in our major languages.

We have recently also introduced an enhancement of our existing HSE incidents reporting system, to enable recording of compliance incidents with a business integrity impact. All

Employees will be able to access the centralized system to record a business integrity related incident, no matter where the location, for further review and investigation.

We do not directly or indirectly participate in party politics or make payments to political parties or individual politicians.

We are committed, in principle and practice, to maximum transparency consistent with good governance and commercial confidentiality. We work with external groups to further our commitment to transparency. We continue to support Transparency International, a global civil society organization leading the fight against bribery and corruption. A new anti-corruption standard launched to assist our businesses and employees in countering bribery and corruption.