

Communication on Progress

December 2020

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1. Introduction

For over 17 years Agulhas has worked with development agencies, governments, development banks, corporations and civil society to tackle some of the most challenging issues in international development, sustainability and the battle against inequality.

The company has a business model that works with trusted individuals to ensure quality. Driven by a desire to do valuable work and to participate in critical debates in development and sustainability, the directors have grown the company organically, responding to the needs of our clients, the markets where we work and the changing dynamics of the world in which we live.

Agulhas provides evidence-based consultancy and advice to help our clients achieve their objectives in a world of insecurity, inequality and interdependence. In doing so we commit to providing the highest level of professionalism, operating in compliance with the highest international standards. Our organisational principles, policies and guidelines have been established to help us do this.

Legally, Agulhas Applied Knowledge is a private limited liability company, wholly owned by its shareholders, who are also the company directors. The company was founded in 2003 and it is incorporated in England with the company number 4644326.

2. Statement from the Director

Dear Stakeholders,

Agulhas Applied Knowledge is pleased to submit its communication on progress for 2020, and with this statement we hereby renew our firm commitment to the Ten Principles of the United Nations Global Compact.

In this, our second annual Communication on Progress, we describe our actions to integrate the Global Compact and its principles into our business strategy, culture and daily operations. Although 2020 has been an unusual year, we have continued to uphold the principles in our new ways of working, during the COVID 19 pandemic. We are also committed to share this information with our stakeholders using our primary channels of communication.

Yours

Nigel Thornton

Director

3. Our approach to the 10 principles

In the spring of 2018 Agulhas Applied Knowledge signed up for the UN Global Compact. This coincided with the company's decision to carry out a major reworking of our core policies. The 10 principles of the UN Global Compact were integral to this reworking and were used to guide the direction of our company policy, and will continue to make a positive difference to the way that Agulhas carries out its work.

Bearing in mind the UN Global Compact, we defined 5 major principles which we first ask all Agulhas employees to commit to;

Integrity – we conduct ourselves in a way in which we can be proud. We are honest with each other, our clients and ourselves. We provide challenge where it is needed and praise where it is due.

Respect – we treat each other and our clients, contractors and communities with respect. We take the time to listen to others, look for the best in people and strive to empower others to be their best.

Openness – we share ideas and good practice, and raise concerns quickly and deal with them fairly.

Commitment – we always bear in mind Agulhas' goal of harnessing knowledge and learning for sustainable development.

Effectiveness - We strive to deliver the highest quality work in the areas where we can use our skills to make the greatest impact. We will continually look for ways to do better: individually; together; and with clients, contractors and communities.

The second stage of implementation will be to ensure that all members of our wider network of consultants, sub-contractors and suppliers also adhere to principles that are similar, if not the same.

All employees are required to read our policy pack, formally sign up to the Agulhas way, and return with comments where the policy can be updated and refined over time, thus encouraging future initiatives to be employee informed.

4. Description of Actions

The first major initiative which has taken into account the 10 principles of the UN Global Compact is our company policy which includes policies on the environment, labour, human rights and anti-corruption. We are still in the first year of reporting against this.

4.1. The environment

Agulhas have always had consideration for taking a sustainable approach by managing and minimising the environmental impact of our operations and services. We apply the waste hierarchy to our day-to-day operations and work towards having a net positive impact in terms of carbon. This includes offsetting carbon generated on travel and flights through Pure Leapfrog, the best provider of carbon offsetting in the UK.

As a company that has to travel globally, we promote Green Travel by cycling or walking where possible, or by using public transport in the UK and by train to continental Europe. In 2020 Agulhas made available a cycle to work scheme, making use of the UK's Cyclescheme, an employee benefit that uses a government subsidy to help spread the cost of a new bike and accessories, to encourage more employees to cycle to work.

In our London office, we recycle and use recycled products wherever possible and raise awareness within our staff and consultants to encourage sustainable behaviours. We source Fairtrade certified and organic, locally produced or refined products with a mind to contributing to the local economy and where environmental impacts have been taken into consideration. We consider environmental issues and energy performance in the acquisition, refurbishment, management and use of equipment and buildings. We purchase our energy from specialist providers of renewable energy (currently Good Energy).

Although staff have been largely working from home through most of 2020, the scheme has remained in place, recognising the need for employees to have a safe alternative to public transport when working from home.

Means of compliance

We are committed to a process of continuous improvement and will set targets, measure progress against them and where appropriate share our progress with stakeholders. We will communicate internally and externally on our environmental performance on a regular basis.

Measurement

- There have been no reports of environmental damage or concern at our business premises, or working in the field.
- In Spring 2020 Agulhas made available a cycle to work scheme, to encourage staff to cycle to work.

4.2. Labour

Agulhas provides a set of standard HR Policies / Guidelines to its employees as part of our and their contractual obligations. These policies are intended to provide clarity on employment procedures and are available on the company Dropbox. They include:

- Agulhas Absence Policy
- Agulhas Employee Behaviour and Conduct Policy
- Agulhas Disciplinary Procedure
- Agulhas End of Contract Policy
- Agulhas Starting Employment Policy
- Agulhas Grievance Procedure

Agulhas upholds the principles of freedom of association and recognises the right to collective bargaining for staff members.

- o Our London office is accessible to people with disabilities
- Agulhas complies with the 2010 UK Equality Act
- Agulhas is an accredited Living Wage company

2020 has been an unusual year for the management and the staff at Agulhas, due to the disruption to normal activities that has been caused by the COVID 19 pandemic. In the second week of March, one week before the first national UK lockdown, the Agulhas management took a decision to close down the London office and instruct employees to work from home.

During the following months steps were taken to make working from home more comfortable for employees, with items such as office chairs and secondary monitors being offered to anyone on request.

In autumn 2020 an Agulhas-wide survey was distributed to all staff to gather information about how the working from home arrangements have affected staff and to gauge opinions on returning to work. As of December 2020, Agulhas has not asked any staff to return to work at the office premises, only some senior staff who are able to travel to the office by bicycle or walking have decided to do so, on occasion.

Recognising that the periods of lockdown have reduced opportunities for staying fit and healthy Agulhas has offered taster sessions for pilates, tai chi and yoga lessons for all staff via zoom, with the aim of making some exercise classes available regularly in 2021, contingent on demand. Furthermore, the company has been exploring corporate membership at the local public gym and swimming pool due to finish refurbishment in 2021.

Means of compliance

The Equality, pay, recruitment and performance management policies are managed by the COO.

Measurement

- There have been no reported issues this year which have indicated failures of labour standards or any reports of failures to uphold our stated policies.
- Agulhas is committed to encouraging a diverse workplace, and seeks to promote gender equality across all levels of seniority, with our senior management team having a gender balance of 1:1.
- A recent recruitment drive was held in autumn 2020, designed to be as wide ranging as
 possible and encourage diversity in applications. On reviewing the applicants for the
 role, the decision was made that the diversity criteria had not been met, and this factor
 played a large part in the decision to re-run recruitment in 2021, with a review of
 recruitment practices in order to reach a more diverse pool of applicants.

4.3. Human Rights

At present, Agulhas does not have an explicit policy on Human Rights. However, a number of internal policies are designed to incorporate important elements of human rights, including; Supplier Due Diligence, Code of Conduct, Duty of Care, Safeguarding, Anti-slavery, Recruitment, Equality, Anti-Bullying and Harassment, Whistleblowing / Complaints, Health and Safety and Stress Management policies. Furthermore, because of the international nature and scope of our operations, and the fact that much of our work is either explicitly or implicitly focussed on human rights, respect for these rights is fundamental to all of our work.

The company is committed to ensuring a culture which supports internationally recognised human rights such as those contained within the Universal Declaration. We seek to avoid complicity in any abuses of these rights and take very seriously our duty to report transgressions wherever they occur, including ensuring that we monitor our supply chain and the partners we work with.

Our commitment to Human Rights is reflected in how Agulhas delivers its work, abiding by international principles on respectful and ethical research methods. We also ensure we are providing adequate staff training, for example on key Human Rights Principles, and coaching for researchers that may come into any contact with vulnerable individuals.

During 2020, a significant re-evaluation of racism, unconscious bias and prejudice was catalysed by the #BlackLivesMatter movement worldwide. At Agulhas, an employee-led initiative, Agulhas Unlearning was set up, to discuss matters around prejudice, coloniality of thought, unconscious bias and structural racism. This initiative aims to help all Agulhas staff be more conscious of the biases that are a part of our industry, mainstream anti-racist and decolonial

practices and provides a safe space where colleagues can explore, learn and discuss these issues in order to collaboratively improve the industry in which we work.

Agulhas supports local charities through a set of donations through the year. For the first time, the company has encouraged its employees to be part of choosing which charities to support through the use of a voting system. Initial research was conducted on a longlist of potential candidates and a shortlist was presented to the company in a series of short presentations. Agulhas has committed to donating between 1-2% of its profits each year to good causes that support our local community.

Means of compliance

All staff adhere to a strict code of conduct which covers adherence to these principles and these are also reflected in the code of conduct we set for sub-contractors and consultants. We will continue working on and upgrading our human rights policies in future.

Measurement

- Agulhas conducts monthly reporting updates of any safeguarding incidents that involve or are witnessed by Agulhas staff or by our contractors. There have been no safeguarding incidents reported this year.
- Five 'Unlearning Sessions' have been held this year, including spoken word, a book club
 and inviting an external speaker to explore how consultancies can work with a specific
 aim to highlight the voices and needs of the marginalised.
- In addition to two local charities supporting the local community near our offices in East London that Agulhas already supports each year, an additional charity has been supported, chosen by Agulhas staff. The charity provides essential services to migrant mothers and their babies who have fled from traffickers and domestic violence.

4.4. Anti-corruption

Agulhas has zero tolerance to bribery and corruption. This means we will ensure appropriate measures are in place to prevent bribery and corruption and that we act on upon all suspicions of bribery and corruption. We will always investigate and take disciplinary and/or legal action against those who commit, or assist anyone committing, fraud or any other improper activities in our operations.

From a corporate perspective, we apply the ISO 37001 Anti-Bribery and Corruption guidelines and have tailored the guidelines to fit Agulhas's organisational context demonstrated in the diagram below. We are seeking certification on this ISO.

Means of compliance

All Agulhas staff must immediately report any suspicions of bribery or corruption to a Director in accordance with our Whistleblowing policy.

Measurement

- No instances of corruption, bribery or accepting gifts/hospitality have been reported this year.
- Agulhas takes very seriously any conflicts of interest that may prejudice our work or expose ourselves to bias, which could be a form of corruption. In 2020, we have for example:
 - Removed a team expert from engaging in a virtual country visit in order to avoid any perceived conflict of interest.
- Another measure of our commitment to the UNGC Principles is through thought leadership, and this year Agulhas was part of the consortium commissioned to produce an information note on practices to tackle corruption and illicit financial flows in UK aid spending for ICAI.

5. Future initiatives

2020 Has been a challenging year for collaborative working and initiative building, as the strains of the COVID 19 pandemic, and its practical and commercial implications have naturally focused a lot of work on maintaining day-to-day activities.

However, despite these challenges, throughout the year, the company have been able to improve our working practices and in particular to promote employee-engaged decision making and employee led measures.

In 2021 our focus at Agulhas will be to build upon the momentum we have created in 2020 through the Agulhas Unlearning group and the higher levels of employee consultation that has been part of management decision making this year.