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United Nations Global Compact
Communication on Progress – 01 August 2021

CEO Statement of Support

I am pleased to confirm on behalf of Avetta that we are renewing our commitment to the application of the UNGC and associated principles within the fabric of the Avetta business. The ethos of the company is transparency and doing the right thing in relation to human rights, business transparency, working practices in both developed and emerging economies and minimising environmental impacts.

We integrate the principles of human rights, social, environmental and ethical considerations into our business operations, strategies and the products offered to our clients. Our report highlights some of the Corporate Responsibility and employee engagement initiatives launched, within the last year. During the pandemic, we recognise that this time has been a major time for understanding and recognising the resilience, commitment and loyalty of our global workforce, I am proud of the fact they have all demonstrated their commitment to helping us as a business to meet our ESG goals and continued support of the UN Global Compact.

We recognise within Avetta our place within a diverse business community and that we understand that we are pivotal in working with global clients in communicating an understanding of the demographic, diversity and transparency within their supply chains. As an organisation that can influence how supply chains are managed in a global arena, we acknowledge and accept our role as a corporation to embrace the ten principles of the United Nations Global Compact by embedding these within our product offerings and corporate culture.

Since joining this programme Avetta has developed and implemented sustainability and pre-qualification assurance programmes that assist in the mitigation of supply chain risk, assisting major organisations working in a wide range of sectors to enhance working conditions, maintain sustainable sourcing of materials and minimise their impact to the environment.

To maintain sustainable business growth within our global network of suppliers, we ensure that we continually monitor industry trends and best practice to meet the challenges facing a changing global supplier interface.

We are pleased to renew our commitment supporting and complying with the UN Global Compact as detailed within our Communication on Progress.

Arshad Matin
CEO

01 August 2021



Introduction

Despite the many challenges faced by the business world during the Coronavirus pandemic, we as a business continue to grow our market share and still create meaningful employment throughout our global operation, and at the same time have continued working in partnership with our many clients in the provision of a safe and healthy working environment, and are helping to not only introduce the principles of sustainability but also help in the area of environmental best practice, societal involvement, business transparency and governance. Our commitment to the ten business principles as defined within the United Nations Global Compact (UNGC) remains as strong as the time when the business first commenced this relationship.

We have started to define our sustainability vision with a range of challenging but also realistic aspirations that reflects the sentiments of our shareholders, executive team and that of our workforce, and we also recognise the ambitions of our clients and we will endeavour to follow their journey in minimising environmental impacts, addressing climate change, mitigating all elements of forced labour and continually improving business transparency.

Avetta works with both domestic and international organisations, assisting them in creating and maintaining a sustainable supply chain. Those that constitute this supply chain are located in both developed and emerging economies. We collect and analyse supplier data using bespoke software that is subject to strict governance, supported by expert analysis and monitoring services.

The information we generate allows clients to make educated decisions about their procurement strategies and meet investor, stakeholder, shareholder and consumer expectations. We focus on human rights, environmental impact including the management of greenhouse gases (GHG) and safe working practices. Our sustainability content has been mapped to reflect all the major global and industry codes of conduct and using innovative support programmes we actively help smaller suppliers and individual organisations placed in the lower tiers of the supply chain to implement programmes and educate their workers around the benefits of a more sustainable supply chain.

We strive to meet the social standards as defined within the principles of the global compact. We do this by ensuring that we treat all our workers responsibly and independent of their employment status as well as our clients, suppliers and the environment. During the last business year, we have entered new business sectors and have now integrated their ethical standards and codes of conduct into our product portfolio.



We have developed and modified an internal code of practice in 2021 to encourage greater vigilance in the areas of cyber criminality and business transparency, using a global on-line training and awareness programme that is undertaken on an annual basis. We recognise that as a software company that we don't have an environmental footprint like that of the traditional manufacturer, but we still acknowledge that we can do more.

All our codes of practice and business policies have all been endorsed by the most senior representative within the business and relate to confidentiality and professional integrity, personal conduct, data integrity and corporate responsibility and the maintenance of a safe working environment and a reduction of our environmental impact.

Human Rights

Principle 1:

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

Principle 2:

Make sure that they are not complicit in human rights abuses.

The Company has recognised the importance of ensuring that all personnel are engaged and treated in an equal manner across our global operations. It is essential that all employees believe they are valued and feel as they have a stake in increasing the performance and reputation of Avetta.

We have created an employee networking programme to allow open and transparent communication between the employee communities throughout our global operation, in mid-2021 we introduced Yammer to facilitate this programme.

We have undertaken work around our company handbook and where necessary have made changes to the content to reflect a more holistic approach how we apply our company policies around subjects such as safety in the workplace, family related and parental leave, fair and equitable career progression and how we can improve as an employer. We are continually looking at ways of improving how we communicate the messages from within these policies and seek input from our workers to help us in this endeavour. We have a formal partnership with independent 3rd party organisations that specialise in advising and guiding expanding global organisations on all necessary and relevant legal obligations relating to the employment of individuals in locations we have little understanding of, we also look to exceed our legal mandate to make Avetta an organisation where people actively want to work.



Our internal handbook issued by our Human Resources (HR) team covers all levels of our workforce, this content is subject to continual review to ensure that when we open new offices as part of our global roll out, we ensure all areas of fair and equal recruitment are applied consistently.

In addition to the handbook, we have addressed how members of the workforce can discuss any issues with any member of the senior management team, as we strive to maintain an 'open door' policy relating to the deployment of our corporate Human Resources policy. To confirm how we value our workforce, HR are represented at executive level with a newly appointed Vice-President for our global HR operation.

All employees are advised that they should report any concerns they may have either within our business or the supply chain of our clients on issues relating to breaches of human rights or unethical business practices. In 2021, we initiated an ESG board that comprises of senior members of the Avetta team, we expanded the remit of the committee to cover other areas of compliance including social responsibility where we actively encourage worker participation in localised initiatives that assist the local communities in which we operate and also environmental programmes that encourage worker participation including 'green' initiatives suggested by the workforce to reduce waste within the business.

As our product range starts to grow, we recognise that our clients also aspire to improve human rights, working standards throughout their supply chain and make a positive impact towards climate change. To address that need, we have created product offerings intended to assist our clients to help achieve their corporate goals in the areas of Environment, Social and Governance, (ESG), carbon management, sustainability and workplace health and safety. This led to the creation of a client led ESG board that has been formed to help us develop our ESG product and achieve the most value in not only gathering information but actually focusing upon how we can make a positive difference.

Our business has been requested to assist some of our clients in the sourcing of suppliers located in developing, low-cost economies. We are actively working with these clients to help in the education of these suppliers, providing support and guidance in not only the understanding of human rights and transparent working practice but its application to help address continual improvement within all levels of the supply chain.

To assist our clients with the development of workplace safety standards we have made the decision to work in an alliance with international professional safety institutions and centres of safety excellence,



we also sponsor coordinated programmes on workplace safety initiatives that can be employed with our programmes and help to enhance safety in the work environment actively reducing workplace risk.

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

Principle 6:

The elimination of discrimination in respect of employment and occupation.

We recognise that despite our core business being Software as a service (SaaS), and only having a very small supply chain we are still cognisant of the importance of ensuring there is no modern slavery, forced labour or human trafficking within our supply chain. We have developed a policy statement that reflects this commitment on the prevention of this abhorrent practice and where required where one of the countries we are located have entrenched this into their statutory regime, such as the United Kingdom (UK) and Australia(Au.) we also publish this on the respective government websites.

To allow us to support labour rights within our workforce, it was important that we recognise that we employ individuals using a variety of methods which can include engaging with 3rd parties on long term placements, as such we have worked hard to make sure that we treat all individuals with the same levels of respect and dignity.

Our engagement process covers any individual, independent of their employment status or location, we confirm their identity with government issued documentation. To ensure due diligence in this area, we will maintain necessary copies of this documentation and the process is open to any form of independent verification. In some of the countries we operate, we understand that before we can make an offer of employment we must verify that individuals are legally entitled to work in that country and this can only be achieved by validating their identity documentation, this is always undertaken adhering to the



employment laws in place in that country of operation and we never retain original copies of this documentation. We are committed to providing our employees with a work environment that is open, friendly and non-discriminatory, and that is fully in accordance with employment legislation in the countries where we operate.

All our employees work for us of their own choosing and are all legal age and are not subject to any financial penalties when employed via a professional recruitment service.

In 2021 we created a Diversity, Inclusion and Equity Committee. This is formed by employees from all levels from within the global workforce, it was developed to reinforce our goals in how we have enhanced recruitment practice and provide insight to ensure promotions are inclusive and equitable. We have initiated a charter that outlines our ambitions using the tag-line 'Advocates for you', the content of which is supported by the executive board. We have developed training and awareness programmes to help educate all members of the workforce and we have introduced a range of cultural surveys to establish how we can improve our place of work, looking to understand where we need to improve and enhance what we can do as an employer.

Avetta have developed supplier due diligence content that has a focus on the prevention of modern slavery, forced labour and underage labour within global supply chains, using a consortium approach this approach has been applied across a wide range of sectors and geographies. These programme form part of a 'Responsible Sourcing' programme approach and have been developed using a unique approach by mapping all the content to a range of global standards that reflect how different industry works to improve human rights, environmental best practice and reduce greenhouse gas emissions and transparent business practice. Since joining the programme, we have worked extensively with third-parties to develop papers and deliver web based education programmes on how we can help in addressing the issue of forced labour within supply chains. We have also developed in house awareness training as part of the Avetta employee annual training and awareness programme that focuses upon recognising the issues that can identify modern slavery.

We have introduced a risk programme to mitigate workplace risk and we have extended this guidance to allow workers to employ this guidance in their everyday lives.

Starting in November 2020 in the middle of the pandemic we launched our first employee cultural survey, and it was agreed that this would be an annual process that was complimented by a leadership survey to ensure that employees understand just how important they are to the business and that we



want to understand what we need to do as a business to make the employment process a value added and rewarding experience. For the last eighteen months we have a bi-weekly conference call held by the CEO to address every member of the workforce irrelevant of which time zone they are based in, we deliver a consistent message advising of changes within the business, company updates and also provide every individual with an opportunity to ask members of the senior team with questions about the business.

Avetta complies with applicable local legislation regarding the principle of freedom of association and collective agreements in the countries in which we operate. This also includes working with any applicable trade union who may represent employees throughout the business. Avetta have gone to great lengths to explain and confirm how important each and every individual worker is within the business, and to understand how working conditions can actually be achieved and understand exactly how the workforce feel towards their employment. All members of the workforce are issued with formally documented terms of employment that clearly define their terms of employment including a clear breakdown on remuneration, holidays and their ability to leave this employment when they choose to do so.

As part of our product offering, we actively encourage and work with our clients to collect and evaluate demographic data on companies that operate within all tiers of their supply chain. This not only covers direct suppliers, but also addresses sub-contractors and suppliers of indirect services. We have developed education programmes to communicate and where applicable evaluate areas of potential discriminative behaviour including 'unconscious bias', which has been addressed by facilitating a training awareness programme in the first instance across the business.

To provide our clients with the best possible service, we ensure all members of our workforce are provided with a detailed training programme with a vast range of job specific subjects both when they commence employment, and this is also undertaken on a continued basis to ensure that our personnel maintain their professional development. We also encourage and pay for our staff to undertake additional training and further education to further their careers and enhance their personal development.

Environment

Principle 7:

Businesses should support a precautionary approach to environmental challenges

Principle 8:

Undertake initiatives to promote greater environmental responsibility



Principle 9:

Encourage the development and diffusion of environmentally friendly technologies

We recognise that as we expand and grow the business globally, we face the challenge of minimising our environmental impact. This will continue to be a challenge as our market share increases due to the demand for our services and the demands that can be placed on personnel to meet clients in a non-virtual environment.

We are committed to using internet media where possible to undertake meetings and deliver presentations as required by our clients. Where travel is unavoidable, we have opted to reduce our costs and have engaged a third-party specialist committed to finding the best travel solutions that not only ensure personnel can travel safely, but also provide minimum impact to the environment, reducing our CO² emissions. We actively discourage the use of vehicular transportation, and where available encourage the use of public transport where it is available such as trains, trams and subways. As part of our recruitment process, when new personnel are onboarded we counsel employees to consider their personal environmental impact as part of their work commitments, this includes that have now been engaged to work from home. This is supplemented with our in-house training programmes that are provided as part of our employee orientation process.

We are currently reviewing our permanent office locations to ensure that we have the most effective energy efficient infrastructure such as LEED. We have introduced localised recycling initiatives for our different offices to not only improve our ability to reduce and segregate waste that is sent to landfill, but where possible, we purchase materials that are either recycled or can be subject to recycling.

Anti-corruption

Principle 10:

Businesses should work against all forms of corruption, including extortion and bribery.

To demonstrate our commitment to the delivery of a transparent business operation that is open and fair with all our clients and members of staff, we developed a suite of policies and procedures that have been endorsed and undersigned at the highest level within the business. These programmes have been developed and tested to demonstrate zero tolerance in relation to any form of corruption or bribery. All management programmes are communicated within our employee handbook and senior members of the management team continually monitor their effectiveness. Any breach of our policies in this area will be treated as a disciplinary matter.



We recognise that in some of the countries in which we operate, the provision and receipt of gifts and basic hospitality can be determined as being part of an accepted culture. We recognise the challenges that this can present and recognise that the way business is conducted can vary widely. For example, in some countries where enforcement of national or international standards may be weak, and to avoid causing offence but also recognise this important cultural difference, we have specified that any form of gift or hospitality received, irrelevant of value shall be recorded in a Register for Gifts and Hospitality maintained within our corporate Head Office.

Our policy on 'Gifts and Hospitality' provides clear guidance on what standards are acceptable to the business, and anything that is received must be recorded and must not be of such a value so as to influence any form of business decision. As a business that employs workers that audit and evaluate supply chain data on behalf of our client's, it is essential that this assessment and associated work process can withstand independent scrutiny in all aspects. As such all audit programmes and recruitment of the audit personnel are subject to a detailed code of conduct and associated code of practice that is signed by all participants.

The business has a zero-tolerance stance on any element of deviation of the content of the code. We have also introduced content within our supplier risk product portfolio that covers how suppliers address business transparency and ethical practice within the supplier due diligence process. Failure to declare shall be construed as a serious breach of company policy.

The Avetta Business Transparency Policy identifies and confirms that we operate a zero-tolerance stance towards bribery or corruption, this policy has been reviewed and endorsed by our Executive Team and CEO. This Policy applies not only to employees, but also any agency who acts on behalf of the company. Any person representing the business shall demonstrate their understanding and willingness to meet this mandate and they do so by signing a declaration acknowledging the content.

We value the fact that we have been entrusted by major corporations with information about their supply chains and as such we must ensure the integrity of this data. This has been done by achieving certification to the international standard of ISO 27001.

Avetta have not been involved in any form of business transparency or corruption related investigative procedure, this also applies to all business partners with whom we have an alliance of partnership and is extended to all third-parties we engage to deliver audits and consultancy on our behalf.

Documents and associated security programmes have been designed to protect the business and client related information from cyber threat, these programmes are subject to continual review and testing by the Information Technology (IT) team. We introduced a virtual testing programme where we issue simulated cyber threats, issued at random throughout the workforce to test the vigilance of employees with potential threats to our IT programme.