United Nations Global Compact
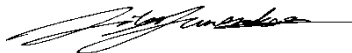# Advanced COP for Global Impact Initiative (GII)

March 2022

This COP (Communication on Progress) is a Stand-alone document. Policies and procedures referred to in this document can be requested if needed by the UNGC.

The time period of this COP is January to December 2021.

Statement by the CEO

This COP is endorsed by Giles Gunesekera, Founder and CEO of Global Impact Initiative (GII). We are a proud supporter of the UN Global Compact and signatory to the UN WEP Principles. The work we do always incorporates the UN SDGs and with this document we renew our continued support for the Global Compact, it's initiatives and principles.

Giles Gunesekera SF Fin, FSSE, FIML, MAITD
Cert. Workplace Training (Melb), B.Comm (Monash), Masters App. Fin & Inv. (Finsia), Advanced Mgmt and Leadership (Oxford)

Chief Executive Officer
Global Impact Initiative

United Nations Global Compact
Advanced COP for Global Impact Initiative (GII)

Contents of the COP

The COP contains description of actions and policies related to;

- Human Rights
- Labour
- The Environment
- Anti-Corruption

The COP includes qualitative and quantitative measurement of outcomes illustrating the degree to which targets/performance indicators were met.

How does your organisation share its COP with stakeholders?

Our COP is easily accessible to all interested parties via our website and is actively distributed to all key stakeholders such as investors, employees, consumers and community.

How is the accuracy and completeness of information in your COP assessed by a credible third-party?

We use specialist impact measurement firms to measure and map the SDGs which over time will also involve having its COP externally assessed, including goals, timelines, metrics, and responsible staff. In our impact investing strategies, Information is reviewed by a panel of peers and assured by independent assurors.

The COP incorporates the following high standards of transparency and disclosure:

The COP and our website highlight our legal and ownership structure as well as the countries we are operating in. It also highlights our primary products and services as well as our commitments to external initiatives. We also apply the GRI Sustainability Reporting Guidelines and are 'in accordance - core' with GRI G4

The following Sustainable Development Goals (SDGs) are addressed in our COP and the work we do

- SDG 3: Ensure healthy lives and promote well-being for all at all ages
- SDG 4: Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all
- SDG 5: Achieve gender equality and empower all women and girls
- SDG 6: Ensure availability and sustainable management of water and sanitation for all
- SDG 7: Ensure access to affordable, reliable, sustainable and modern energy for all
- SDG 8: Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all
- SDG 9: Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation
- SDG 10: Reduce inequality within and among countries
- SDG 11: Make cities and human settlements inclusive, safe, resilient and sustainable
- SDG 13: Take urgent action to combat climate change and its impacts
- SDG 17: Strengthen the means of implementation and revitalize the global partnership for sustainable development

Our company's actions to advance the Sustainable Development Goals (SDGs)

GII uses blended finance and hybrid models to bring together investment capital and social impact by engaging the ecosystem. We actively pursue opportunities and responsibilities that one or more SDGs represent to our business. Gender and Gender Equality (SDG 5) are embedded into everything we do.

We have Goals and indicators that are set by our company with respect to one or more SDGs which are detailed in agreements with clients. An example is included here at the conclusion of this section and is related to a Health project which is under development. We integrate the SDGs into our business model which details the (expected) outcomes and impact of our company's activities related to the SDGs. Our activities related to the SDGs are undertaken in collaboration with other stakeholders such as the UN, Government, Investors, Corporates, NGO's and Social Enterprises.

Example of Social Impact Frameworks and Reporting to advance the SDGs: Health project

Goal 1. End poverty in all its forms everywhere
- 1.3 Implement nationally appropriate social protection systems and measures for all, including floors, and by 2030 achieve substantial coverage of the poor and the vulnerable
- 1.4 By 2030, ensure that all men and women, in particular the poor and the vulnerable, have equal rights to economic resources, as well as access to basic services, ownership and control over land and other forms of property, inheritance, natural resources, appropriate new technology and financial services, including microfinance
- 1.a Ensure significant mobilization of resources from a variety of sources, including through enhanced development cooperation, in order to provide adequate and predictable means for developing countries, in particular least developed countries, to implement programmes and policies to end poverty in all its dimensions

Goal 3. Ensure healthy lives and promote well-being for all at all ages
- 3.1 By 2030, reduce the global maternal mortality ratio to less than 70 per 100,000 live births
- 3.2 By 2030, end preventable deaths of newborns and children under 5 years of age, with all countries aiming to reduce neonatal mortality to at least as low as 12 per 1,000 live births and under-5 mortality to at least as low as 25 per 1,000 live births
- 3.3 By 2030, end the epidemics of AIDS, tuberculosis, malaria and neglected tropical diseases and combat hepatitis, water-borne diseases and other communicable diseases
- 3.4 By 2030, reduce by one third premature mortality from non-communicable diseases through prevention and treatment and promote mental health and well-being
- 3.5 Strengthen the prevention and treatment of substance abuse, including narcotic drug abuse and harmful use of alcohol
- 3.7 By 2030, ensure universal access to sexual and reproductive health-care services, including for family planning, information and education, and the integration of reproductive health into national strategies and programmes
- 3.9 By 2030, substantially reduce the number of deaths and illnesses from hazardous chemicals and air, water and soil pollution and contamination
- 3.b Support the research and development of vaccines and medicines for the communicable and non-communicable diseases that primarily affect developing countries, provide access to affordable essential medicines and vaccines, in accordance with the Doha Declaration on the TRIPS Agreement and Public Health, which affirms the right of developing countries to use to the full the provisions in the Agreement on Trade-Related

Aspects of Intellectual Property Rights regarding flexibilities to protect public health, and, in particular, provide access to medicines for all

- 3.c Substantially increase health financing and the recruitment, development, training and retention of the health workforce in developing countries, especially in least developed countries and small island developing States
- 3.d Strengthen the capacity of all countries, in particular developing countries, for early warning, risk reduction and management of national and global health risks

Goal 4. Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all

- 4.3 By 2030, ensure equal access for all women and men to affordable and quality technical, vocational and tertiary education, including university
- 4.4 By 2030, substantially increase the number of youth and adults who have relevant skills, including technical and vocational skills, for employment, decent jobs and entrepreneurship
- 4.5 By 2030, eliminate gender disparities in education and ensure equal access to all levels of education and vocational training for the vulnerable, including persons with disabilities, indigenous people and children in vulnerable situations
- 4.6 By 2030, ensure that all youth and a substantial proportion of adults, both men and women, achieve literacy and numeracy
- 4.a Build and upgrade education facilities that are child, disability and gender sensitive and provide safe, non-violent, inclusive and effective learning environments for all
- 4.b By 2020, substantially expand globally the number of scholarships available to developing countries, in particular least developed countries, small island developing States and African countries, for enrolment in higher education, including vocational training and information and communications technology, technical, engineering and scientific programmes, in developed countries and other developing countries
- 4.c By 2030, substantially increase the supply of qualified teachers, including through international cooperation for teacher training in developing countries, especially least developed countries and small island developing States

Goal 5. Achieve gender equality and empower all women and girls

- 5.1 End all forms of discrimination against all women and girls everywhere
- 5.4 Recognize and value unpaid care and domestic work through the provision of public services, infrastructure and social protection policies and the promotion of shared responsibility within the household and the family as nationally appropriate
- 5.5 Ensure women's full and effective participation and equal opportunities for leadership at all levels of decision-making in political, economic and public life
- 5.6 Ensure universal access to sexual and reproductive health and reproductive rights as agreed in accordance with the Programme of Action of the International Conference on Population and Development and the Beijing Platform for Action and the outcome documents of their review conferences
- 5.b Enhance the use of enabling technology, in particular information and communications technology, to promote the empowerment of women
- 5.c Adopt and strengthen sound policies and enforceable legislation for the promotion of gender equality and the empowerment of all women and girls at all levels

Goal 7. Ensure access to affordable, reliable, sustainable and modern energy for all

- 7.2 By 2030, increase substantially the share of renewable energy in the global energy mix

- 7.a By 2030, enhance international cooperation to facilitate access to clean energy research and technology, including renewable energy, energy efficiency and advanced and cleaner fossil-fuel technology, and promote investment in energy infrastructure and clean energy technology
- 7.b By 2030, expand infrastructure and upgrade technology for supplying modern and sustainable energy services for all in developing countries, in particular least developed countries, small island developing States, and land-locked developing countries, in accordance with their respective programmes of support

Goal 8. Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all

- 8.2 Achieve higher levels of economic productivity through diversification, technological upgrading and innovation, including through a focus on high value added and labour-intensive sectors
- 8.3 Promote development-oriented policies that support productive activities, decent job creation, entrepreneurship, creativity and innovation, and encourage the formalization and growth of micro-, small- and medium-sized enterprises, including through access to financial services
- 8.5 By 2030, achieve full and productive employment and decent work for all women and men, including for young people and persons with disabilities, and equal pay for work of equal value
- 8.6 By 2020, substantially reduce the proportion of youth not in employment, education or training

Goal 9. Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation

- 9.1 Develop quality, reliable, sustainable and resilient infrastructure, including regional and transborder infrastructure, to support economic development and human well-being, with a focus on affordable and equitable access for all
- 9.4 By 2030, upgrade infrastructure and retrofit industries to make them sustainable, with increased resource-use efficiency and greater adoption of clean and environmentally sound technologies and industrial processes, with all countries taking action in accordance with their respective capabilities
- 9.5 Enhance scientific research, upgrade the technological capabilities of industrial sectors in all countries, in particular developing countries, including, by 2030, encouraging innovation and substantially increasing the number of research and development workers per 1 million people and public and private research and development spending

Goal 10. Reduce inequality within and among countries

- 10.2 By 2030, empower and promote the social, economic and political inclusion of all, irrespective of age, sex, disability, race, ethnicity, origin, religion or economic or other status
- 10.3 Ensure equal opportunity and reduce inequalities of outcome, including by eliminating discriminatory laws, policies and practices and promoting appropriate legislation, policies and action in this regard
- 10.4 Adopt policies, especially fiscal, wage and social protection policies, and progressively achieve greater equality

Goal 11. Make cities and human settlements inclusive, safe, resilient and sustainable

- 11.1 By 2030, ensure access for all to adequate, safe and affordable housing and basic services and upgrade slums
- 11.7 By 2030, provide universal access to safe, inclusive and accessible, green and public spaces, in particular for women and children, older persons and persons with disabilities

Goal 17. Strengthen the means of implementation and revitalize the global partnership for sustainable development

- 17.3 Mobilize additional financial resources for developing countries from multiple sources
- 17.7 Promote the development, transfer, dissemination and diffusion of environmentally sound technologies to developing countries on favourable terms, including on concessional and preferential terms, as mutually agreed

- 17.14 Enhance policy coherence for sustainable development
- 17.16 Enhance the global partnership for sustainable development, complemented by multi-stakeholder partnerships that mobilize and share knowledge, expertise, technology and financial resources, to support the achievement of the sustainable development goals in all countries, in particular developing countries

Implementing the Ten Principles into Strategies & Operations

Criterion 1: Mainstreaming into corporate functions and business units

The design of our corporate sustainability strategy intentionally leverages synergies between all areas of the organisation. All corporate functions coordinate closely to maximise performance, social impact and avoid unintended negative impacts. Corporate sustainability strategy is overseen by the Board and implemented by the CEO and all senior staff.

The responsibility for execution of our sustainability strategy sits within all our corporate functions. The strategies, goals and incentive structures of our business units align with our corporate sustainability strategy of mainstreaming impact investing and doing so at scale.

Criterion 2: Value chain implementation

At GII we analyse each segment of the value chain carefully, both upstream and downstream, when mapping risks, opportunities and impact. We ensure that none of our investments or partners are engaged in alcohol, tobacco, gaming, weapons, fossil fuels or adult entertainment activities.

We are upfront in communicating our policies and expectations to suppliers and other relevant business partners and have in place monitoring and assurance mechanisms for compliance within our sphere of influence. We educate our suppliers and business partners through awareness-raising.

Human Rights Management Policies & Procedures

Criterion 3: Robust *commitments, strategies or policies* in the area of human rights

The founder and CEO has been a human rights advocate for nearly 30 years serving as a Director and Volunteer for Human Rights organisations such as Amnesty International and White Ribbon. The Universal Declaration of Human Rights is our guiding principle on Human Rights (BRE1 + ARE1). We are committed to eradicating the risk of causing or contributing to human rights abuse as a legal compliance issue wherever the company operates.

GII has an integrated statement of policy expressing commitment to respect and support human rights approved by the Board. The past CEO of Amnesty International Australia sits on our Board and we have developed a statement of policy stipulating human rights expectations of personnel, business partners and other parties directly linked to operations, products or services (BRE 1). This statement of policy can be communicated internally and externally to all personnel, business partners and other relevant parties (BRE 1 + BRE 5 + ARE 1 + ARE 5)

Criterion 4: Effective *management systems* to integrate the human rights principles

GII has the following management systems in place;
1. Process to ensure that internationally recognised human rights are respected via promotion of the Universal Declaration of Human Rights
2. On-going due diligence process that includes an assessment of actual and potential human rights impacts (BRE 2 + BRE 3 + ARE 2 + ARE 3). This includes but is not limited to; the risk of impacts the business enterprise may be involved in through its own activities, business relationships, country and/or industries. We engage in meaningful consultation with potentially affected groups and other relevant stakeholders to assess actual and potential impacts as well as risks that are ongoing and evolving
3. Human rights principles are included in risk management systems including risks to the company and those of right-holders. Impact assessments are also integrated across relevant internal functions and processes.
4. Allocated responsibilities and accountability for addressing human rights impacts to the CEO and Senior Management team
5. Processes to provide for or cooperate in the remediation of adverse human rights impacts that the company has caused or contributed to (BRE 3+ BRE 4 + ARE3 + ARE 4)
6. Processes in place to support human rights through its core business as well as via philanthropic and social impact investment.
7. GII engaged in public policy engagement and advocacy via its work on Boards and Committees with the UN, Industry bodies, Government and NGO's in order to maximise collective action (BRE 6 + ARE 6)

Criterion 5: Effective *monitoring and evaluation mechanisms* of human rights integration

GII has in place monitoring drawn from internal and external feedback including independent third-party groups like Amnesty International and Human Rights Watch. A process is in place to deal with incidents the company has caused or contributed to for internal and external stakeholders (BRE 4 + ARE 4) although to date no incidents have taken place. Grievance mechanisms are accessible to all stakeholders and are based on engagement and dialogue (BRE4 + ARE4)

GRI Indicators are used to assess suppliers, contractors, and other business partners that have undergone human rights screening. External and formal reporting of operations or operating contexts that pose risks of severe human rights impacts are constructed for the Senior management team and the Board. Communications to date have been proactive and focused on mitigating human rights risks. GII has in place remediation processes to address adverse human rights impacts. (GRI Indicator: HR11)

 GII has had no human rights issues since inception of the business.

Labour Management Policies & Procedures

Criterion 6: C*ommitments, strategies or policies* in the area of labour

GII has made the following commitments, strategies or policies;
- Reference to principles of relevant international labour standards (ILO Conventions) and other normative international instruments in company policies
- Annual reflection on the relevance of the labour principles instigated
- Company/HR policy ensures that we obey national labour laws and respect of the principles of the international labour standards in our global operations.
- Our Human Resources policies are in line with decent work priorities in our countries of operation

Criterion 7: Effective *management systems* to integrate the labour principles

GII adopts the following best practices to integrate labour principles;
- Performs risk and impact assessments in the area of labour by allocating responsibilities and accountability within the organisation
- Internal awareness-raising and training on the labour principles for management and employees
- Active engagement with suppliers to address labour-related challenges
- Provides grievance mechanisms, communication channels and whistleblower mechanisms for workers to report concerns, make suggestions or seek advice.

Criterion 8: Effective monitoring and evaluation mechanisms of labour principles integration

Effective monitoring and evaluation occur by meeting with staff to regularly review progress made and identify priorities for the future. Audits will be made in the future to monitor and improve the working conditions of companies in the supply chain, in line with principles of international labour standards. We currently positively engage with suppliers to address any challenges via a partnership approach.

GII has had no labour management issues since inception of the business.

Environmental Management Policies & Procedures

Criterion 9: C*ommitments, strategies or policies* in the area of environmental stewardship

GII refers to relevant international conventions and other international instruments as part of its environmental stewardship. We have a company policy on environmental stewardship which includes minimum environmental standards in contracts with suppliers and other relevant business partners

Criterion 10: Effective *management systems* to integrate the environmental principles

GII incorporates environmental risk and impact assessments into our work. We assess our lifecycle impact of products, ensuring environmentally sound management policies. We allocate responsibilities and accountability within the organisation to all staff to consider the environment.

Internal awareness-raising and training on environmental stewardship for management and employees also includes grievance mechanisms, communication channels and whistleblower mechanisms for reporting concerns or seeking advice regarding environmental impacts.

Criterion 11: Effective *monitoring and evaluation mechanisms* for environmental stewardship

The senior management team, reviews quarterly its environmental stewardship policy in order to monitor and improve results. We deploy a system to track and measure performance based on performance metrics. We have in place a process to deal with incidents and employ steps to monitor and improve the environmental performance of companies in the supply chain.

GII has had no environmental incidents since inception of the business.

Anti-Corruption Management Policies & Procedures

Criterion 12: *Commitments, strategies or policies* **in the area of anti- corruption**

GII has;
- Stated formal policy of zero-tolerance of corruption (D1)
- A commitment to be in compliance with all relevant anti-corruption laws, including the implementation of procedures to know the law and monitor changes(B2)
- Statement of support for international and regional legal frameworks, such as the UN Convention against Corruption (D2)
- Developing detailed policies for high-risk areas of corruption (D4)
- Policy on anti-corruption regarding business partners (D5)

Criterion 13: Effective *management systems* **to integrate the anti-corruption principle**

GII's management systems are supported by the organisation's leadership for anti-corruption (B4). Human Resources procedures support the anti-corruption commitment, including communication to and training for all employees (B5 + D8). We encourage business partners to implement anti-corruption commitments (D6) and management to take responsibility and accountability for the implementation of the anti-corruption commitment (D7). Whistleblowing channels and follow-up mechanisms are available for reporting concerns or seeking advice (D9)

Criterion 14: Effective *monitoring and evaluation mechanisms* **for the integration of anti-corruption**

The senior management team reviews and monitors results with a focus on improvement. As mentioned above, there is a process to deal with incidents (D13) and public legal cases regarding corruption are communicated to all stakeholders as a way of education. Due to our business model, we have highlighted that corruption is a low risk for the organisation, but we are committed in the future to considering the use of independent external assurance of our anti-corruption programmes (D15)

GII has had no corruption incidents since inception of the business.

Taking Action in Support of Broader UN Goals and Issues

Criterion 15: Core business contributions to *UN goals and issues*

GII's business intentionally aligns its core business strategy with one or more relevant SDGs. We also interact with multiple areas of the UN and the CEO sits on two Advisory Boards of the UNGC. Our products and services, map, measure and monitor compliance to the SDGs.

Criterion 16: The COP describes strategic social investments and philanthropy

In order to maximise social impact, we engage with NGO's and social enterprises. GII intentionally pursues social investments and philanthropic contributions that tie in with its core competencies and are an integrated part of its sustainability strategy. GII coordinate efforts with other organisations and initiatives to amplify our collective social impact in pursuit of acceleration of the SDGs.

GII considers local customs, traditions, religions, and priorities of individuals and groups in all the work it does.

Criterion 17: Advocacy and public policy engagement

GII publicly advocates the importance of action in relation to one or more UN goals/issues through the media and conferences the organisation is invited to speak at. GII encourages its leaders to participate in key summits, conferences, public policy and advocacy to accelerate the global agenda of the SDGs.

Criterion 18: Partnerships and collective action

GII through its Women and Girls fund has implement partnerships across the ecosystem of participants; UN, Government, Investors, Corporates, NGOs and Social Enterprises. GII is a frequent contributor to the industry, UN entities and other stakeholders in initiatives contributing to solving common challenges and dilemmas. Our aim is to extend the company's positive impact on the value chain and ecosystem.

GII takes action in support of broader UN Goals and issues

Corporate Sustainability, Governance and Leadership

Criterion 19: CEO commitment and leadership

The following best practices are adopted;

- The CEO publicly delivers explicit statements and demonstrates personal leadership on sustainability and commitment to the UN Global Compact
- The CEO promotes initiatives to enhance sustainability of the company's sector and leads development of industry standards through his input on cross sector boards and committees.
- The CEO leads the executive management team in development of corporate sustainability strategy, defining goals and overseeing implementation
- Sustainability criteria and UN Global Compact principles form part of the goals and incentive schemes for CEO and executive management team

Criterion 20: Board adoption and oversight

The following best practices are adopted;

- Board of Directors (or equivalent) assumes responsibility and oversight for long-term corporate sustainability strategy and performance
- The Board assigns to the CEO and Senior Management team the responsibility for the implementation of its corporate sustainability program.
- Board approves formal reporting on corporate sustainability when required

Criterion 21: Stakeholder engagement

GII has been publicly recognised as an organisation that considers social impact and its impact on internal and external stakeholders. We define sustainability strategies, goals and policies in consultation with key stakeholders. We also conduct regular stakeholder consultations in the area of human rights, labour, environment and anti-corruption. We display on our website some of stakeholder groups (when allowed) that we engage.

Our business model is stakeholder centric with consultation imbedded into all we do. Stakeholders are encouraged to help us deal with implementation dilemmas and challenges and are engaged to review our performance. We have established channels to engage with employees and other stakeholders to address their concerns and protect 'whistle-blowers'

GII has strong corporate sustainability, governance and leadership.