

UNITED NATIONS GLOBAL COMPACT

EMPANDA COMMUNICATION ON PROGRESS

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Contents

CEO Statement of Support:	3
Empanda practical action taken to deliver the 2030 Agenda	5
How Empanda takes Practical Action:	5
The opportunities and responsibilities the Global Goals Represent to Empanda	5
Where the company’s priorities lie with respect to one or more SDGs	5
Goals and indicators set by our company with respect to one or more SDGs	7
How one or more SDGs are integrated into our business model & expected outcomes	7
How we collaborate on the SDGs with other stakeholders	8
Other established or emerging best practices	8
The Empanda Update on the 10 Principals	9
Update: Human Rights	9
Update: Labour	10
Update: Environment	10
Update: Anti-Corruption	11
Summary of Sustainable Development Goals:	12
Approach to Stakeholder Engagement:	12
APPENDIX 1: Initial letter of commitment to join the Global Compact	13
APPENDIX 2: Empanda Company Profile and Context of Operation	14

CEO Statement of Support:

20 January 2022

To our stakeholders:

Our report this year covers a longer period of time than usual, following a delay in reporting. Thank you to the UNGC for latitude on the requirement to report, like many small enterprises, the Covid19 had a material impact on our enterprise, and we needed to 'pivot' to survive.

In January 2020, Empanda was a change and learning organisation that straddled both the real and the virtual world. As lockdown came into effect in March 2020, the face-to-face part of our business came to an abrupt halt. Empanda lost almost 50% of revenue streams. Overnight it became a visceral priority to protect the jobs and livelihoods of our people and their dependants.

We took early, decisive, action to ensure business survival. In April 2020, we created an emergency budget and reduced salaries across the board, in order create a sustainable cash runway. This was a highly collaborative process and received huge, heart-warming support from our people.

Our strategy shifted to centre on virtual learning delivery, and the contribution we could make to successful remote working. Ironically, it had been our strategy to focus more on online learning, a scalable and technology driven solutions. The loss of face-to-face training delivery projects released resources and created a simpler focus for our business. We were amongst many, many businesses that needed to 'pivot'. We were fortunate that for us, we already were an eLearning business. Our primary issue was that potential new clients were focused on dealing with operational impact before training.

Throughout this journey, we were filled with gratitude for our partnership with the UNGC Academy, where we have continued to deliver. We have now completed 73 projects for the UNGC, with highlights including the following projects that we have partnered and collaborated on deliverables:

- **2030 Agenda:** The UNGC Value Proposition, Global Compact Engagement Tiers, UN Principles, CFO Principles on Integrated SDG Investments and Finance, SDG Ambition, UNGPs 10th Anniversary, Bringing values and behaviours to life in local networks, Global Compact local network onboarding, UNGC Partnership Sessions, Framework for Breakthrough Impact on the SDGs through Innovation.
- **Gender Equality:** Target Gender Equality Results Reflection, Women's Empowerment Principles, Gender equality: How business can accelerate the pace of change, International Women's Day, WEP Welcome Package.
- **Climate:** The Climate Ambition Accelerator, Setting science based targets to achieve net Zero, Developing an Integrated Health, Environment and Climate strategy for your company, Rising to the climate challenge.
- **Human Rights:** Implementing a Human Rights Impact Assessment, How companies can support fundamental freedoms, The basics of business and human rights for every company, How procurement decisions can advance decent work in supply chains, Human Business Rights.

- **Oceans Sustainability:** Oceans Conference 2020, The Seaweed Manifesto, The Blue Resilience Spirit, Practical Guidelines: Seaweed, Fisheries, Shipyards, Accelerating Sustainable Seafood, Humanitarian Rights in the Seafood Industry, UNGC Oceans Guidance, CEO Ocean Roundtables, how companies can ensure a healthy and productive ocean, Reboot the Ocean.
- **Africa:** Covid in Africa Series, Gender Equality in African Businesses, Scenario planning through the Covid 19 pandemic.

Our team find true purpose through the work that we do with the UNGC. As such, I am pleased to truly confirm that Empanda Pty Ltd reaffirms its support of the Ten Principles of the United Nations Global Compact in the areas of Human Rights, Labour, Environment and Anti-Corruption. We are determined to change and innovate, navigating the pathways of opportunity, striving to avoid pitfalls and risks.

Sincerely yours,



CHRISTY HUNTER-CHAPMAN

Founder and CEO

Empanda practical action taken to deliver the 2030 Agenda

We have now consolidated our position as an eLearning content creator and hosting service. We pride ourselves on an approach that pays particular attention to people, helping employees in business engage, enable, and evolve. We continue to specialise in a service offering that integrates learning and development with change management, communication, and engagement. This has become ever more important in our more virtual world of work.

Our update on Empanda action to deliver the 2030 Agenda will include the following sections:

- The Empanda Sustainability Strategy
- 2022 Goals and KPIs for Future Measurement
- Update on our Global Goal Priorities and Practical Actions
- Update on the UNGC Issue Areas

How Empanda takes Practical Action:

Empanda ensures that sustainability is integral to our business model.

The opportunities and responsibilities the Global Goals Represent to Empanda

By aligning to the 2030 Agenda, we have been able to understand our context and how our business is able to contribute and add value. The Global Goals also give us a framework that we use to discern our individual employee values and priorities, as well as those of our clients and wider stakeholders. Our opportunity and responsibilities are:

- To leverage our position as a learning organisation to target Goal 4: Quality Education
- To curate a client base that is aligned to the 2030 agenda and sustainability
- To provide meaningful work for our employees and suppliers, due to our alignment

Where the company's priorities lie with respect to one or more SDGs

We have prioritised 6 Global Goals, with one leading goal and one enabling goal. Our rationale for our prioritisation is below:

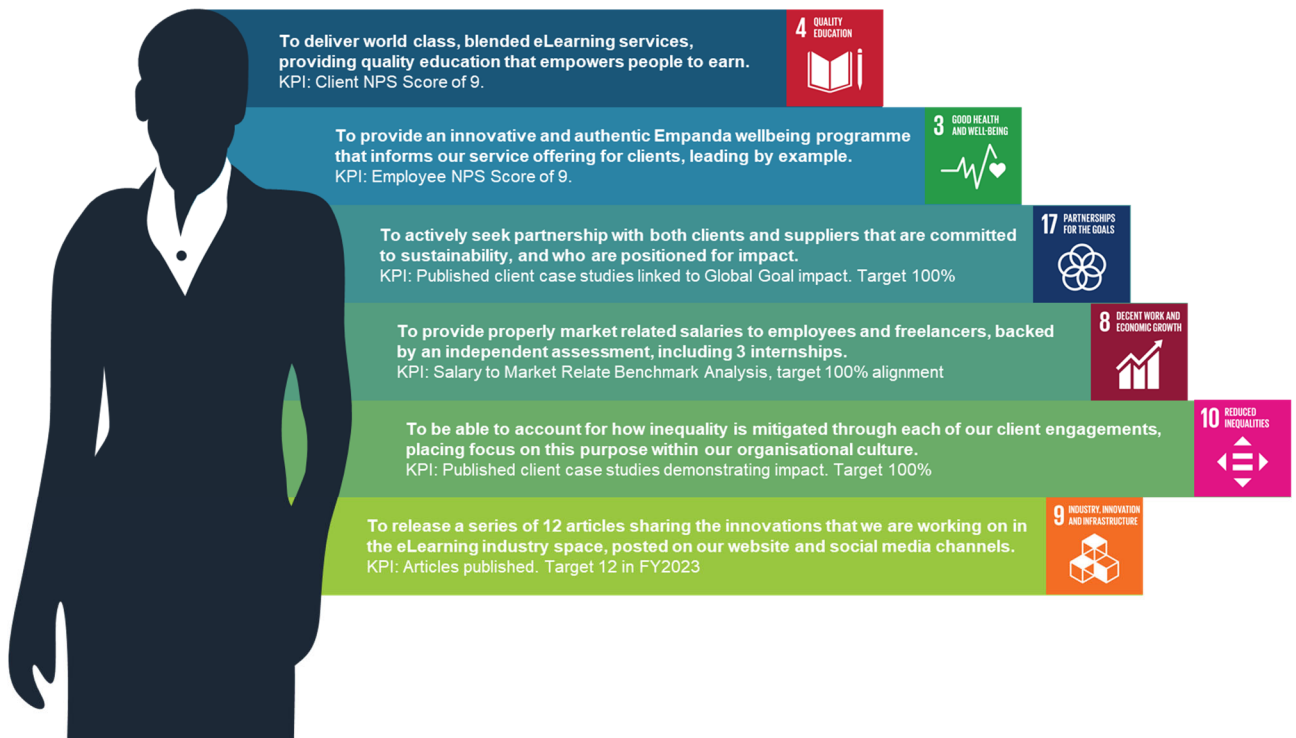
- **Goal 4 - Quality Education:** Is our primary Global Goal, given that we are a learning organisation. We are headquartered in South Africa, which has an intense history of educational disadvantage. Our day-to-day business is addressing and mitigating the negative impact experienced by our learners, helping our clients to communicate and transfer knowledge that empowers people.
- **Goal 3 – Good Health and Well-being:** Good Health and Well-being has raised its position in our prioritisation. Both internally and externally, the negative impact of Covid19 has needed to be addressed. As a remote working company, we have placed huge focus on adapting ways of working to manage stress and promote wellbeing and connection. This is strongly reflected in our approach to client work, as our core customers seek to do likewise for their people.
- **Goal 8 – Decent Work and Economic Growth:** It continues to be vitally important to provide decent work, and to contribute to economic recovery, working to grow within our compromised economy. We have evolved part of our service offering to support companies that are striving to promote decent work with new business models, enabling talent to connect with business successfully. We do this by blending recruitment and learning into pathways to capacitate learners for the workplace.

- **Goal 10 – Reduce Inequalities:** Our educational strategies continue to be of the utmost importance. It is vitally important that we sit at the cutting edge when it comes to accessible learning. We take an approach that looks at learner needs more holistically than ever before. This entails considering the technology and data requirements, as well as the educational baseline of our learners. We seek to leave no one behind. In our eLearning context, this has required ongoing evolution of a success management process that supports successful engagement.
- **Goal 17 – Partnerships for the Goals:** The quality of our partnerships ultimately determines the strength of our impact. We actively prioritise working with companies that have a strong sustainability agenda. Our contribution has the biggest impact when we work with organisations that amplify our efforts through their own strategic agenda. We are very proud of our client organisations and the contribution they are making. We also actively seek individuals and suppliers that operate with sustainability front of mind.
- **Goal 9 – Industry, Innovation, and Infrastructure:** Sustainability as a business and as an outcome rely on continuous innovation. eLearning is a rapidly evolving and competitive space. As such we are constantly paying attention to best practice in industry, the infrastructure needs and opportunities of our clients and learners and working to innovate. From software to hardware, we are constantly assessing how technology can be leveraged to deliver learning outcomes that empower and provide opportunity.





Goals and indicators set by our company with respect to one or more SDGs

Our goals and indicators relating to the SDGs we have prioritise are as follows:



How one or more SDGs are integrated into our business model & expected outcomes

Our priority SDGs are inherently integrated into our business model. We are a learning and change management services organisation, who deliver directly and indirectly against the goals we have prioritised. The SDGs integrate both in terms of both our ways of working, and also within our value proposition, as follows:

Goal	Value Proposition	Ways of Working
 <p>4 QUALITY EDUCATION</p>	<p>We deliver educational services, including project work that directly drives the sustainability agenda. Our clients include the UNGC, and the GCNSA, and the South African parliament.</p>	<p>We are a learning organisation with ongoing upskill in place to ensure that our people are developed and skilled to work with innovative digital learning technologies and processes.</p>
 <p>3 GOOD HEALTH AND WELL-BEING</p>	<p>Our client learning agendas are focused on ensuring that employees flourish in the remote world of work. Several of our learning offerings relate to mental wellbeing, motivation, and good health.</p>	<p>Empanda has a mature wellbeing programme, employing a motivational bio-kineticist. We have implemented a peer led approach that is a leading example of our online learning motivation model.</p>

<p>17 PARTNERSHIPS FOR THE GOALS</p>	<p>We actively partner with organisations that are signatories of the UNGC, prioritising a client base that is driving for sustainability. This includes a number of gender equality learning initiative.</p>	<p>We have an innovative resourcing model that focuses on partnership. We leverage employees, freelancers and developing organisations in order to deliver shared value across a range of stakeholders.</p>
<p>8 DECENT WORK AND ECONOMIC GROWTH</p>	<p>The nature of the corporate educational services we provide means that we play a direct role in enabling employees and job seekers engage with decent work, building talent to fuel economic growth.</p>	<p>We are a proudly South African organisation, working to create employment in the growing educational services marketplace. We are proud of offering decent, fulfilling work at market related rates.</p>
<p>10 REDUCED INEQUALITIES</p>	<p>Many of our client programmes are designed to target learners that have been historically disadvantaged. We specialise in enabling access to education overcoming ICT, language, and financial barriers to learning.</p>	<p>We operate with an employee beneficiary trust that ensures revenue sharing with employees that have been historically disadvantaged, with a wide range of activities aligned to the South African BBBEE transformation agenda.</p>
<p>9 INDUSTRY, INNOVATION AND INFRASTRUCTURE</p>	<p>We are constantly working with innovating digital platforms and authoring tools. This requires day to day innovation relating to industry best practices, including process development and digital infrastructure.</p>	<p>Our innovative ways of working mean that we need to constantly train both internal and external prospective talent, fuelling industry innovation and understanding of learning infrastructure.</p>

How we collaborate on the SDGs with other stakeholders

We have continued to support the UNGC Academy with a number of further eLearning modules. We have also continued to offer services to the United Nations Global Compact, particularly supporting the Oceans Conference 2020, providing graphic design services for several reports. We have also collaborated with the UNGC Africa Hub, supporting deliverables for various initiatives, and the Global Compact Network of South Africa an initiative to forecast the impact of Covid19. We are profoundly grateful to be a part of the UNGC extended supply chain, which operates as a best-in-class role model for responsible procurement practice.

Other established or emerging best practices

Our areas of emerging best practice include:

- Ongoing content and knowledge expertise, gleaned from our sustainability clients
- eLearning authoring tool use
- Educational strategy and instructional design
- Content development skills including video and animation
- Learning management platform best practices
- Change management best practice
- Peer led learning educational models

The Empanda Update on the 10 Principals

We have continued to focus on operating as a sustainable and ethical organisation, operating both in line with the 10 Principles of the United Nations Global Compact, and the recommendations of the King IV Report on Corporate Governance.

Update: Human Rights

ASSESSMENT, POLICY & GOALS

Empanda is committed in principle to the Universal Declaration of Human Rights and other international standards relating to Human Rights. Our policy is to subscribe to a principles-based approach to business as outlined by the United Nations Global Compact, and to the Constitution of South Africa and its wider legislature. Our policy and our goals are to continuously improve:

- Employee co-determination within Empanda
- Processes for protecting labour rights
- Alignment of our core business to the 2030 Agenda
- The quality of our company governance
- Selection of suppliers, working only with ethical organisations
- Address inequality faced by our previously disadvantaged
- Our ethical, high calibre leadership
- Action against corruption, which degrades basic human rights
- Work with the clients that are leading on action to deliver the 2030 agenda

IMPLEMENTATION

Over the last reporting period we have continued to mature our capabilities. In terms of implementation, we have taken the following steps:

- **Board Appointment:** We have enhanced the diversity of our board by appointing a prestigious and qualified independent director, ensuring a better lens on the world beyond our own organisation.
- **Employee Trust:** We have maintained our employee beneficiary trust, which was founded to benefit employees who have faced historical disadvantage.
- **Wellbeing:** We have implemented a wellbeing programme to specifically address the pressures of remote working, with the intention of assuring work life balance, mental, physical and emotional health.
- **Alignment of Clients:** We have continued to direct our business further into the leadership, sustainability, and employee development space, supporting our ability to work with, and enable a pipeline of clients that are highly ethical and ambitious about transformational change.

MEASUREMENT OF OUTCOMES

We measure our success based on the following outcomes:

- Employee NPS – a survey with qualitative and quantitative measures
- Empanda SHINE Coaching – a weekly and monthly health check with a qualified professional
- Empanda SHINE Buddy System – peer to peer support on well being

Update: Labour

ASSESSMENT, POLICY & GOALS

Empanda is deeply committed to upholding freedom of association, eliminating forced and compulsory labour, the abolition of child labour, and eliminating discrimination. Over the course of the couple of years we are especially proud of having protected the jobs we offer, at market related rates, despite the need for material business change during the first waves of Covid-19. Our goals are:

- To offer permanent and freelance roles at market related rates
- To curate a sustainable business that offers a growing volume of decent work
- To ensure ample opportunity to our network of talent to evolve scarce skills

IMPLEMENTATION

Over the last reporting period we have continued to mature our capabilities. In terms of implementation, we have taken the following steps:

- We sustained all hands-on deck, and now offer more jobs than we did pre-Covid
- We have conducted and implemented a remuneration benchmarking exercise
- We have improved our internal training, specifically for animation and eLearning authoring
- We have enhanced co-determination with our all hands Huggle governance technique
- We have diversified our board leadership
- We have sustained spend on external learnerships for disadvantaged students

MEASUREMENT OF OUTCOMES

We measure our success based on the following outcomes:

- Inclusive Management Control
- Skills Development Spend
- Remuneration Benchmarking Analysis

Update: Environment

ASSESSMENT, POLICY & GOALS

Our head office continues to be on a 4.3-hectare small holding that we take care to run in a sustainable manner. Over the course of the last couple of years we have continued our work to leverage permaculture best practices to build a natural and organic space. Our learning centre has been rented out residentially due to the decline in demand for face-to-face training, however we are continuing to curate and develop our outdoor 'Labyrinth'. This venue presents a future opportunity to enable human connection and opportunity to interact with nature. Our goals are to:

- Continuously become more self-sustainable and efficient (water, electricity, waste)
- To build an environment that enables a connection with nature for our clients
- To investigate and apply 3D printing and hydroponic technologies in a business context
- To nurture a safe haven that is an environment that supports biodiversity

IMPLEMENTATION

Over the last reporting period we have continued to mature our capabilities. In terms of implementation, we have taken the following steps:

- Evaluated the sustainability of our boreholes
- Implemented a more efficient and effective water station and irrigation system
- Mobilised an Innovation Manager to oversee sustainable product development
- Initiated investigation of hydroponic food sources

MEASUREMENT OF OUTCOMES

We have substantial planning documents that represent the developments that we are making on the property, we also take a lot of photos of before and after.

- Municipal utility consumption
- Volume of food production
- Revenue from hydroponic products

Update: Anti-Corruption

ASSESSMENT, POLICY & GOALS

Empanda delivers change management, learning and development. It remains vital to our culture, brand, and identity that we operate in an entirely ethical manner. Over the last year we have been particularly proud to be selected to deliver a learning programme for the South African Parliament. This programme is focused on understanding Democracy and Public Participation. We are hopeful that this learning programme will be successful and will add value to ethical and sound governance in South Africa.

IMPLEMENTATION

Over the last reporting period we have continued to mature our capabilities. In terms of implementation, we have taken the following steps:

- Maturing our financial processes, including independently reviewed financials
- Enhance our policies to ensure ethical conduct, including compliance with POPIA
- Developing expertise in the field of good governance

MEASUREMENT OF OUTCOMES

Our outcomes can be measured by:

- Independent review of financials with clean bill of health
- Timely and complete CIPC reporting
- Newly developed policy relating to declaration of interests
- Uptake and success reporting on our SA Parliament Democracy Programme

Summary of Sustainable Development Goals:

We are a motivated and active member of the Compact. We have areas for work, particularly on raising our courage levels, as a small fish in a big pond; not accepting inhumane treatment as a cost of doing business. That said, our people and our business is committed and authentically engaged in driving the 10 principles.

The sustainable development goals we actively align to include:

- ✓ SDG 1: End poverty in all its forms everywhere
- ✓ SDG 2: End hunger, achieve food security and improved nutrition and promote sustainable agriculture
- ✓ SDG 3: Ensure healthy lives and promote well-being for all at all ages
- ✓ SDG 4: Ensure inclusive and equitable quality education & promote lifelong learning opportunities
- ✓ 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 12: Ensure sustainable consumption and production patterns
- ✓ SDG 13: Take urgent action to combat climate change and its impacts
- ✓ SDG 14: Conserve and sustainably use the oceans, seas, and marine resources
- ✓ SDG 15: Protect, restore, and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, and halt and reverse land degradation and halt biodiversity loss
- ✓ SDG 16: Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable, and inclusive institutions at all levels
- ✓ SDG 17: Strengthen the means of implementation and revitalize the global partnership for sustainable development

With respect to our actions to advance the Sustainable Development Goals (SDGs), our COP describes:

- ✓ Opportunities and responsibilities that SDGs represent to our business
- ✓ Where the company's priorities lie with respect to one or more SDGs
- ✓ Goals and indicators set by our company with respect to one or more SDGs
- ✓ How one or more SDGs are integrated into the company's business model
- ✓ The (expected) outcomes and impact of your company's activities related to the SDGs
- ✓ If the companies' activities related to SDGs undertaken in collaboration with other stakeholders
- ✓ Other established or emerging best practices

Approach to Stakeholder Engagement:

We will distribute this report to our employees, partners, key clients and primary service providers through our usual business channels and host it on our internet site.

APPENDIX 1: Initial letter of commitment to join the Global Compact

10 July 2016

H.E. Ban Ki-moon
Secretary-General United Nations
New York, NY 10017 USA

Dear Mr. Secretary-General,

I am pleased to confirm that Empanda Pty Ltd supports the ten principles of the Global Compact on human rights, labour, environment and anti-corruption. With this communication, we express our intent to implement those principles. We are committed to making the Global Compact and its principles part of the strategy, culture and day-to-day operations of our company, and to engaging in collaborative projects which advance the broader development goals of the United Nations, particularly the Sustainable Development Goals.

Empanda Pty Ltd will make a clear statement of this commitment to our stakeholders and the general public. We recognize that a key requirement for participation in the Global Compact is the annual submission of a Communication on Progress (COP) that describes our company's efforts to implement the ten principles and support any specialized UN Global Compact issue platform that our company may join at a later date. We support public accountability and transparency, and therefore commit to report on progress within one year of joining the Global Compact, and annually thereafter according to the Global Compact COP policy.

This includes:

- A statement signed by the chief executive expressing continued support for the Global Compact and renewing our ongoing commitment to the initiative and its principles. This is separate from our initial letter of commitment to join the Global Compact.
- A description of practical actions (i.e., disclosure of any relevant policies, procedures, activities) that the company has taken (or plans to undertake) to implement the Global Compact principles in each of the four issue areas (human rights, labour, environment, anti-corruption).
- A measurement of outcomes (i.e., the degree to which targets/performance indicators were met, or other qualitative or quantitative measurements of results).

Sincerely yours,



CHRISTY HUNTER-CHAPMAN
Founder and CEO

APPENDIX 2: Empanda Company Profile and Context of Operation

Further to the requirement that the Communication of Progress incorporates high standards of transparency and disclosure we have included this appendix. It communicates our ownership structure, countries and scale of operation, the markets that we serve with geographic and sectoral breakdown, including the types of companies and beneficiaries. It also defines our primary brands, products and services. Supply chain and commitments to external initiatives.

LEGAL:

Empanda Pty Ltd was registered on the 9th December 2014 as a People Consulting business with deep skills in organisational change management, leadership and coaching, people strategy, learning and development, as well as human capital management.

GROUP AND OWNERSHIP STRUCTURE:

The Owner, Director and CEO of Empanda Pty Ltd is Christy Hunter Chapman. Empanda has undergone an organisational restructure and 30% of Empanda is now owned by Epione, a company that is governed by the Panacea Trust which has 70% BBBEE beneficiaries. This redesign gives Empanda the opportunity to authentically transform our people. At the time of writing Empanda is home to 11 Permanent Employees, 11 Independent Contractors and 1 Learnership..

COUNTRIES AND SCALE OF OPERATION:

We are headquartered in South Africa and have clients based in the Unites States of America, Europe and Southern Africa. Our consultants have delivered services across sub-Saharan Africa including Ghana, Nigeria, DRC, Uganda, Angola, Zambia, Mozambique, Madagascar, Namibia, Botswana, Swaziland and Lesotho.

MARKETS SERVED:

Our major clients are based in the cities of Cape Town, Durban and Johannesburg. We have worked in the public-sector transport industry and have a strong client base in retail and catering. We work closely with IT service providers, particularly ones that focus on the delivery of SAP solutions. We also collaborate with various learning and development consultancies and colleges. We have a strong focus on Leadership Development and have created courses that we now operate from our Inspiration Centre in Durbanville.

PRIMARY BRANDS / PRODUCTS / SERVICES:

We deliver people consulting services, specifically organisational change management, learning and development and communications. We deliver both consulting projects and talent search for individual specialist consultants (permanent and contract). We have a strong graphic design team that delivers eLearning, Branding, and Web related projects. We have also developed a content hosting software that provides an enabling platform for our clients. We have strong expertise in the managing the people aspects of large-scale technology change.