



UN GLOBAL COMPACT COMMUNICATION ON PROGRESS 2022

Statement of continuing support
June 2022



UN Global Compact Communication on Progress 2022 Statement of Continuing Support

We are pleased to introduce Neighbourly's Communication on Progress for the United Nations Global Compact (UNGC). Neighbourly reaffirms its support of the Ten Principles of the UNGC in the areas of Human Rights, Labour, Environment and Anti-Corruption.

The first half of 2022 has already presented some of the greatest challenges to businesses, workers and local communities that have been seen in decades. The global energy crisis, war in Ukraine and cost-of-living crisis have had profound impacts on the core principles that make up the foundations of the UN Global Compact Agreement.

Despite this, the rise of the corporate environmental social governance (ESG) agenda and the drive for stakeholder capitalism have continued to grow in priority for business leaders and shareholders alike. What's more, over half of UK businesses have now pledged to reach Net-Zero by 2050 - with [the number of pledges tripling on the lead up to COP26](#).

In the last 12 months alone, the number of businesses supporting local communities through the Neighbourly platform has almost doubled - with donations during the same period exceeding £4.2M of grant funding, 31M meals worth of surplus food, 13k tonnes of surplus products and 8,500 hours of employee volunteer support - saving 50kT of CO2 in the process - and there is no sign of support slowing down.

But whilst businesses are increasingly stepping up, the rise in UK poverty levels continues to have a devastating impact on local communities, with children and young people particularly vulnerable to its effects. For example, [research by the Food Foundation](#) cited a 57% rise in the number of households that said they had gone without food in the first 3 months of 2022 - including 2.6M children.

It's clear that on a local and a global level there is a lot more work that needs to be done to drive forward the most efficient initiatives that benefit both people and the planet and we're ready to take on the challenge.

In October 2021 Neighbourly successfully recertified as a B Corp, raising our B Impact Score to 130.9 - an increase of 28.5 points since its last recertification in 2017 - bringing it into the 'outstanding' category. Following this, we were awarded one of the UK's most prestigious business awards - the Queen's Award for Enterprise, in the Innovation category.

In April 2022, we secured an additional £1.6M in an accelerator investment round which will be integral for our next 6 months of growth as we continue to fly the flag for businesses looking to champion local communities and create global change from the ground up.

In this annual Communication on Progress, we describe our actions to continually improve the integration of the Global Compact and its principles into our business strategy, culture and daily operations.

We also commit to sharing this information with our stakeholders using our primary channels of communication.



Steve Butterworth
Chief Executive Officer

Principle	Definition	Overview	Outcomes
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Human Rights

<p>Principle 1</p>	<p>Businesses should support and respect the protection of internationally proclaimed human rights; and;</p>	<p>The team at Neighbourly have set out our commitment to human rights through a range of internal and publicly available documents.</p> <p>Our Employee Handbook is kept updated and issued to all new starters and is available to all staff on an ongoing basis.</p> <p>We follow a Responsible Sourcing Policy and Assessment Framework when collaborating with partners and suppliers.</p>	<p>We continue to take steps to ensure that our business activities deliver a positive impact on our employees and ensure that we work with clients and suppliers that support and respect the protection of internationally proclaimed human rights.</p> <p>Our Employee Handbook is underpinned by the Human Rights Act 1998 and clearly sets out to employees that it is essential all members of Neighbourly behave with dignity, courtesy and respect, acting in a non-discriminatory manner at all times and with all stakeholders. The Employee Handbook is in the process of being updated and enhanced as the business grows and faces new requirements, without compromising the values on which the business was established.</p> <p>Due to the impact of the Covid-19 pandemic, the majority of the team have worked from home since March 2020. Regular surveys have been carried out throughout this period to assess suitability of home working as well as stress levels and mental health concerns. Those who have been unable to work from home have had the opportunity to come into the office as and when needed.</p> <p>From summer 2022 we will be moving into a new, larger office, to provide greater flexibility for staff looking for a hybrid-working model - plus increased opportunities for team working and collaboration.</p>
<p>Principle 2</p>	<p>make sure that they are not complicit in human rights abuses</p>	<p>Our Ethics Policy is available to the public through our website. These all include references to our observance of and commitment to the UN Human Rights Charter and principles of the UN Global Compact.</p>	<p>All staff continue to have access to a free online CBT therapy course and a budget to purchase any necessary home working equipment such as office desks and chairs. In addition, we have introduced free access to a new personal financial planning health tool and coach for all team members to support them during the cost-of-living crisis and beyond.</p> <p>We consult with the team regularly through various means including internal team and company-wide meetings, staff surveys and socials to ensure all staff are kept up to date with business progress and all views are heard and considered.</p> <p>Our Responsible Sourcing Policy and Assessment Framework informs the purchasing decisions of the Neighbourly team when selecting a supplier, setting out the principles and processes by which we will assess the credentials of prospective suppliers. It specifically sets out that we will not tolerate child labour or any form of modern day slavery in our suppliers. We reserve the right to terminate arrangements with any organisation not complying with these principles.</p> <p>This year we have created an ethics committee with representation from across the business, to ensure our business decisions are as transparent, unbiased and aligned with the highest possible standards. For example, we strive to partner with suppliers and businesses that match our own values and have recently started working with fellow B Corp accredited brand agency Enviral and recruitment agency Adlib.</p> <p>Due to the nature of our work, we interact on a daily basis with local organisations that support socially vulnerable and disadvantaged groups. We have consistently subscribed to rigorous vetting procedures to ensure these stakeholders are not complicit in human rights abuses and respect the protection of internationally proclaimed human rights.</p> <p>In addition, all community team members are trained on a complaints procedure that safeguards all of our stakeholders.</p>

Labour

<p>Principle 3</p>	<p>Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;</p>	<p>Neighbourly believes its employees are its greatest asset and recognises its responsibility to ensure they are afforded appropriate development throughout their employment. We value and encourage diversity and difference and believe that we are a stronger company as a result.</p>	<p>We consider robust labour practices as fundamental for attracting, developing and retaining the talented people that make us leaders in our field.</p> <p>In the last 12 months we have more than doubled the size of the Neighbourly team and, with it, improved the management and organisational structure that support it. Led by a new senior management team we have implemented a formal appraisal and personal development process to give each team member full and equal clarity on their role and their opportunities for development.</p> <p>For recruitment we are working directly with a local B Corp certified recruitment agency to ensure our process aligns with the B Corp ethical framework we too adhere to.</p>
<p>Principle 4</p>	<p>the elimination of all forms of forced and compulsory labour;</p>	<p>Our aim is to support and develop employees in their role so that they feel confident to undertake the responsibilities placed upon them and ultimately are able to contribute to the success of our mission.</p>	<p>The company is currently made up of 56% women and 44% men across the workforce, while the senior leadership team and board is 64% men and 36% women, in comparison to 67% : 33% a year ago.</p> <p>We are certified by the Living Wage Foundation as a real living wage employer and guarantee equal opportunities for all employees in what is a collaborative and supportive team environment. Flexible and part time working is offered where possible and temporary contracts are converted into full-time permanent roles at every opportunity.</p>
<p>Principle 5</p>	<p>the effective abolition of child labour; and;</p>		<p>Our Ethics Policy publicly sets out our responsibility to each other:</p> <ul style="list-style-type: none"> • We will at all times treat our colleagues with dignity and respect. • We will work as a team, encourage collaboration, recognise the strengths of our differences, and support each other to achieve our shared goals. • We will not tolerate discrimination, harassment or victimisation. • We will embrace the value of diversity in recruitment and dealings with employees.
<p>Principle 6</p>	<p>the elimination of discrimination in respect of employment and occupation</p>		<ul style="list-style-type: none"> • We will value openness and honesty and encourage our employees to raise ethical concerns. • We will at all times conduct ourselves in a manner which brings credit to Neighbourly and our partners.

Principle**Definition****Overview****Outcomes****Environment****Principle 7**

Businesses should support a precautionary approach to environmental challenges;

In line with our B-Corp status, we seek to reduce the environmental impact of our own business and provide services to help corporate organisations reduce theirs too.

We operate a market-leading surplus redistribution programme, which supports a number of the UK's largest grocery retailers. In addition to being members of the B Corp Food Waste Working Group, we are a signatory of the Courtauld 2030 commitment and have supported the 'Step up to The Plate' initiative launched by the Government in May 2019 to help halve food waste by 2030. We regularly attend steering committee and advisory group meetings and have continued to work closely with WRAP to help our partners to implement the TMA reporting structure to track progress against their goals and increase adoption across the food and drink industry.

Principle 8

undertake initiatives to promote greater environmental responsibility; and;

Our work involves helping businesses use their scale to tackle current and future social and environmental challenges facing society in the communities where they operate.

Our food surplus redistribution programme has now redistributed over 90 million meals (up from 56m meals last year) that would have otherwise gone to waste and this has led to savings of over 143k tonnes of CO2 since 2016.

In October 2021, Neighbourly partnered with five corporate clients to launch Seeds of Change - an environmental programme that brought both employee volunteer support and £100k worth of funding to hundreds of local greening and climate projects across the UK and Ireland. Since then, we have worked with clients to support them in reaching their sustainability goals through a number of new employee volunteering and grants programmes which have public visibility via the Neighbourly website.

Principle 9

encourage the development and diffusion of environmentally friendly technologies

We have continued to work to increase awareness of and change behaviour around environmental issues and have formally committed to work towards net-zero by 2030 as a business through membership of the B Corp Climate Collective.

In the last year Neighbourly has employed a Sustainability Manager to support us in reaching net-zero by 2030. This has led to the development of our Sustainability Strategy and the introduction of 'Sustainability Champions' across the business.

Whilst the majority of our staff now work from home, they now have the option to purchase a bike at a reduced rate with our 'cycle to work' scheme which we launched in 2020. For those that currently come into the office, there is access to secure bike storage and showering facilities. For clients and those that live further afield, our new office is situated next to the train station, making sustainable travel an easy option.

Anti-corruption**Principle 10**

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

Our ethical policy sets out that we will not accept favours or bribes or allow personal affiliations to influence the award of contracts.

Our Employee Handbook outlines the relevant policy and grievance procedures and is available to download and read via our HR system so that employees are familiar with how to raise concerns about any form of corruption arising in the context of their work.

Anti-bribery training is compulsory for all employees to ensure clarity of understanding across the team.

There have been no reported incidents over the last year, with the company maintaining a zero tolerance position on corruption in all its forms.



Contribute

A friendly place where people and companies come together to work on community projects

Re-connect

Where people come to re-discover what it means to be neighbourly and join the fight for a better world

Celebrate

Where collaborators share inspiring stories to help unlock the abundance of potential in our communities



United Nations Global Compact



neighbourly