



The Prince's  
Responsible  
Business Network



# CREATING A FAIRER SOCIETY AND A MORE SUSTAINABLE FUTURE

UN GLOBAL COMPACT COMMUNICATION ON ENGAGEMENT REPORT



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# CONTENTS

<b>1. STATEMENT OF CONTINUED SUPPORT FOR UN GLOBAL COMPACT.....</b>	<b>3</b>
<b>2. WHO ARE BITC? .....</b>	<b>4</b>
<b>3. BITC'S IMPACT ON THE UN GLOBAL COMPACT PRINCIPLES.....</b>	<b>5</b>
<b>3.1 HUMAN RIGHTS .....</b>	<b>8</b>
<b>3.2 LABOUR.....</b>	<b>10</b>
<b>3.3 ENVIRONMENT.....</b>	<b>14</b>
<b>3.4 ANTI-CORRUPTION.....</b>	<b>16</b>
<b>4. CALL TO ACTION.....</b>	<b>18</b>

# STATEMENT OF CONTINUED SUPPORT FOR UN GLOBAL COMPACT

2022-23 has been a significant twelve months; the UK economy has been recovering from the pandemic, the cost-of-living crisis has exacerbated economic challenges and leaders remain focused on their employees and the resilience of their organisations. The strength of responsible business has once again been truly tested. Along with many others, Business in the Community (BITC) had to pivot its attention to focus on the challenges that arose and were intensified as a result of the cost-of-living crisis.

Challenging times leave much to be done and I am proud to work alongside the UN Global Compact towards the Ten Principles. This year, with the government announcing that the Net Zero target is now 2050, it is even more pertinent that we use our collective strength to make significant and ambitious steps for responsible business, now and into the future.

This report sets out in detail our achievements towards the Ten Principles, from our reports on diversity and wellbeing, to the programmes we run on what 'good work' really means. Our first Impact Report highlights the great impact we have made with our partners across the UK. Not to mention, our Cost-of-Living campaign, which calls on businesses to ensure that they are doing everything they can to reduce the impact of the cost-of-living crisis on employees, consumers, suppliers and community organisations.

BITC continues to hold ourselves to the same standards we ask of our whole responsible business network, by publishing our pay gaps relating to both gender and ethnicity, as well as developing new guidelines on inclusivity

and the behaviours that we expect of our colleagues.

We are proud to be a signatory of the Ten Principles. The impact of our work is so much more powerful when we work collectively towards these shared ambitions.

Mary Macleod  
Chief Executive Business in the Community



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# WHO ARE BUSINESS IN THE COMMUNITY?

## Who we are

Business in the Community is the UK's largest and most influential responsible business network dedicated to building a fairer and greener world together, supported by His Majesty The King for over 40 years. We inspire, engage and challenge purposeful leaders to take practical action to mobilise their collective strength as a force for good in society by:

**Working fairer** – to help everyone reach their full potential.

**Working greener** – to accelerate climate action.

**Working together** – to continually improve business and to deliver impact at pace and scale.

## What we do

We work together with businesses to transform lives and help communities and the planet thrive.

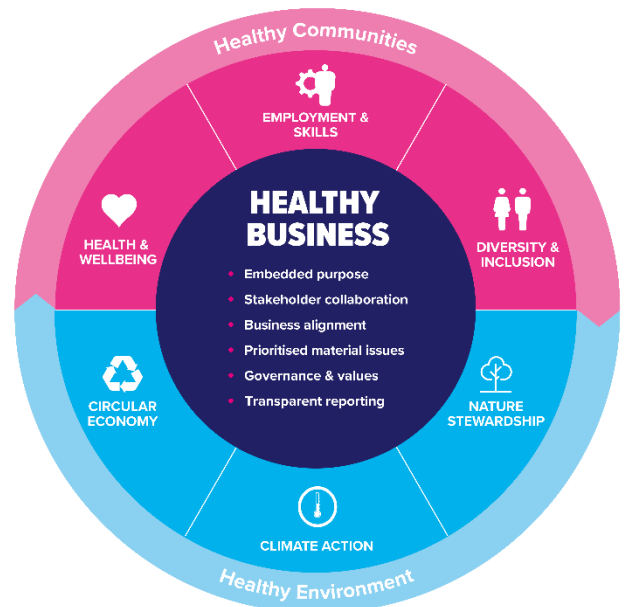
## Our membership

Our members work to embed and embody responsible business behaviours both with their employees and leaders, and in ways that support and advance fairness and equality in society.

We support businesses to:

- Develop and implement their purpose and responsible business strategies.
- Invest in their workforces and communities to enable greater social mobility.
- Accelerate a just transition to net zero and climate resilience.
- Address the urgent challenges facing society in times of crisis, such as the cost of living.

The Responsible Business agenda develops and changes rapidly. We help our members to prioritise and shape their responsible business journey by using our Responsible Business Map™.



## Influencing change through our network of partners

We recognise the integral role that business plays in wider society. As such, we work with a wide range of influential partner organisations in England, Scotland, Wales, and Northern Ireland that each focus our offer of specialist expertise to match the specific needs in their area.

Our work with charities large and small is crucial to helping us design tangible and far-reaching support with communities across the UK. By engaging with local and national governments and other policymakers, we advocate for change on major issues, helping to create a fairer and more equal society. Through our relationships with other thought leaders, and the press, we are able to bring credibility and coverage to the work of our members.

# BITC'S IMPACT ON THE UN GLOBAL COMPACT PRINCIPLES

BITC's areas of work complement the UN Global Compact and its Ten Principles. Through BITC's engagement with a wide range of businesses we are able to reach employees, customers and suppliers and communities, to promote and inspire action on the UN Global Compact Principles. BITC has also worked directly with the UN Global Compact to deliver joint events to drive engagement.

BITC provides a wide range of services, practical guidance and creative solutions that help its members and engage new businesses in responsible business. These include:

- Campaign content to create action across the Responsible Business agenda
- Issue based Leadership Teams and Task Groups.
- Responsible Business benchmarking and management frameworks.
- Practical guidance, research and training.
- A programme of events for peer learning.

To further the movement of responsible business, BITC members are requested to demonstrate a genuine commitment to active engagement, to involve employees from across the business, to put a joint action plan in place, regular meetings to review progress and to advocate the responsible business movement.

## Impact Report

In October 2023, we published BITC's [Impact Report](#) announcing that 10 million people have benefitted from our programmes and activities since 2016. This report shows the enormous breadth and depth of change that BITC is

creating with businesses and in communities across the UK.

## Measuring outcomes

Our impact report showed us the following:

- 10 million people have benefited from our programmes and activities since 2016.
- BITC reaches and influences the work and life chances of more than 7 million people in the UK every year.
- More than 78,000 lessons delivered to young people in Scotland, Wales and Northern Ireland, helping them prepare for the world of work since 2016.
- 1.1 million jobs have been made more accessible to those with criminal convictions.
- 2,500 organisations have signed up to the Mental Health at Work Commitment.
- 24,000 employees trained in workplace inclusion, health and wellbeing, environment, social impact and strategy and purpose from 2020.

## Responding to the Cost-Of-Living

Since the cost-of-living crisis has been exacerbating existing social and environmental issues, BITC have focused our efforts to collaborate with members and partners to drive action to support employees, customers, communities and suppliers in the complex challenges brought by the cost-of-living crisis.

Business in the Community was established following riots in Brixton and Toxteth and it is in our DNA to respond to emergencies, bringing the power of business to tackle major challenges. We established the Cost-of-Living campaign, along with the 12 calls to action as an immediate response to the cost-of-living crisis. It has helped to encourage businesses to be faster, braver and bolder in their response to the ongoing crisis.

As part of the campaign, BITC launched a series of Business Response Forums, as well as other

events focused on the Cost-of-Living. This series enabled our network to hear what other organisations were doing or planning to do, gain a deeper understanding of the impact of the issues impacting businesses, share challenges and opportunities and collaborate, in order to drive faster action.

The [Cost-of-Living action plan](#), set out 12 calls to action, which formed a significant part of how BITC and our members drove and continue to drive responsible business during these challenging times. Furthermore, it sets out a series of actions for businesses, which were tested by a selection of our members, focused on supporting employees, customers, communities and suppliers, along with helpful links and resources. The action plan has had over 1600 downloads.

To further support organisations, BITC offered:

1. Targeted content and insight, informed by our network, to help them stay abreast of these issues and understand how to respond effectively
2. Specific events and forums for organisations to hear and learn from others who are working to address similar challenges
3. Opportunities to support local communities through donations, targeted support, and volunteering
4. Tailored advisory and support packages to help organisations to adopt the calls to action quickly and effectively

For further information visit: [Cost-of-living crisis: helping businesses respond - Business in the Community \(bitc.org.uk\)](#)

### **Our ambitions for 2032:**

- To be driving and delivering impact and change in 50 places, transforming millions of lives across the UK.
- To have inspired and engaged 10,000 more business leaders to take action.
- To have extended our network from more than 20% to over 50% of the UK workforce.

# 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.**

BITC engages business in conversations around human rights on the business case, the challenge that global supply chains can present and how to implement the latest Human Rights legislation.

Building on a series of seminars, workshops and 'Chatham House' Roundtable discussions on the Human Rights agenda over the years, BITC has explored legislation impacting business, particularly the Modern Slavery Act.

In addition, BITC has previously conducted a series of discussions looking at some of the issues most pertinent to business such as how to manage human rights with indirect sourcing partners and how to approach human rights after a merger or acquisition. These events supported business to develop best practice for human rights management.

In light of The Beacon Project, BITC also created a factsheet to help employers identify the ways they can most effectively help survivor support organisations.

## **Driving sustainability through procurement**

Following events conducted with procurement colleagues at member companies and working with expert organisations like CPI, Supply Chain Sustainability School and others, and with pro bono support from Deloitte we launched a Guide for Procurement Professionals in July 2020, to embed sustainability in all procurement practices. The guide includes many references to human rights in the supply chain and refers to other resources such as UNGC's 10 principles. To

activate the use of this guide, we ran various meetings and webinars on specific supply chain issues which included a session on Modern Slavery in Supply Chains: Before and After the COVID-19 Pandemic.

## **Wellbeing as safe and healthy working conditions**

BITC defines 'wellbeing' as the mutually supportive relationship between an individual's mental, physical, financial and social health and their personal wellbeing. Our wellbeing campaign takes a whole person approach to employee health and wellbeing, underpinned by a common mental health strand to support thriving people, thriving business and thriving communities. Providing safe and healthy working conditions is human rights core.

The mental health and wellbeing of our workforce is deteriorating rapidly while UK businesses struggle to attract and retain talent in one of the tightest job markets that we have seen in decades. This is not sustainable. If businesses invest in the right things, the positive returns from improved productivity, attraction, and retention, combined with the cost savings achieved from lower attrition, absenteeism, and presenteeism, could unlock significant value across the UK. This year our focus has been on redefining success through:

1. Creating a body of change to move away from the unacceptable status quo that exists in business surrounding wellbeing.
2. Defining, owning, and sharing the compelling business case for embedding employees at the heart of organisational purpose and business strategy.
3. Influencing a cultural shift through leadership across business through leadership to enable wellbeing to be just 'what we do around here'.
4. Providing simple and accessible tools to enable business to adopt and integrate best wellbeing practices into their worlds.

Informed by ground-breaking research conducted

by BITC in collaboration with McKinsey Health Institute, our new [Prioritise People report](#) outlines how better employee wellbeing can have a positive impact on business, families, and society, and how to select a portfolio of health and wellbeing investments. Research for the report estimates that helping UK employees thrive could boost the UK economy by up to £130-370 billion, or ~£4,000-12,000 per employee. The size of the prize is big enough that capturing even 20% would lead to a substantial improvement in UK Gross Domestic Product.

On Monday 2nd October 2023, we celebrated the launch of the BITC Workwell Self-Assessment Tool and Workwell Commitment. Our revolutionary Self-Assessment Tool facilitates meaningful measurement of progress on employee wellbeing and empowers organisations to improve their approach to wellbeing within the workplace. Equally, by signing up to the Workwell Commitment, organisations are positioning themselves as trailblazers, demonstrating dedication to high-impact, evidence-based actions prioritising employee wellbeing.

### **Responsible Business and Strategy Campaign**

BITC defined responsible business as one that delivers long-term value for all stakeholders by minimising any negative impact and maximising their positive impact on society and the environment. The Responsible Business campaign is based on the UN sustainable development agenda of 2015 and aims to inspire, equip and connect businesses everywhere to ensure that their core business model is a sustainable one. Our vision is that global organisations of all sizes will demonstrate that mainstreaming sustainability and responsible business as part of their business model is the best route to commercial success, and to deliver the Sustainable Development Goals by 2030.

We are continuing our work to champion and quantify the business and societal benefits of sustainable business models and have produced 6 Catalysts to help businesses

overcome barriers and accelerate responsible business action. These are:

1. Develop a responsible business strategy
2. Set ambitious targets
3. Make every leader responsible for your target
4. Activate employees at every level of every function
5. Innovate purposeful business models
6. Align impact, brand and purpose

As well as this the campaign also:

- Published our brand-new report on research carried out in partnership with McKinsey & Company, called Embedding Purpose: Lessons from Business.
- Hosted a series of roundtables with Non-Executive Directors (NEDs) (primarily those with responsibility for sustainability), co-hosted by Amanda Mackenzie OBE and Keith Weed CBE, focusing on the role of NEDs in driving the responsible business agenda in their organisations.
- Maximised our impact by launching an employee activation campaign to Make Responsible Business Your Business, a public-facing campaign designed to overcome one of the most significant barriers to action: a lack of employee engagement. We will call on employees to act themselves, with their teams, and by calling for greater employer action.



# LABOUR

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; and

Principle 6: the elimination of discrimination in respect of employment and occupation.

BITC has been working with its member organisations to tackle some of the biggest challenges that employees face within the workforce through conducting research, advocating for and sharing best practice.

## Employment

Business in the Community's Opening Doors campaign seeks to make two million jobs more inclusive by 2025 by supporting employers to make changes to the way they recruit. BITC members that sign up to Opening Doors have access to exclusive opportunities and guidance to help attract talent in an increasingly competitive labour market.

- More than 1.2 million roles are now more inclusive because of the Opening Doors campaign.
- 232 employers have signed up our 'Ban the Box' campaign, with over 1.1 million jobs covered by commitments to remove questions surrounding criminal convictions. Meaning that we reached our target of 1 million jobs covered will be reached later than planned.
- Our Employability work in communities continues to be strong and we are particularly proud of the progress made on our Job Coaching programme this year. Our members have delivered 8,150 volunteering hours to the Job Coaching and other

employment support programmes, which has contributed to 812 individuals having improved job prospects, essential skills and wellbeing and with an estimated leveraged value of £407,250. This year we will focus on how we further improve education and employment outcomes, as in 22/23, 196 individuals went into employment or education/ training.

- We previously launched the Skills Builder Universal Framework (with members of the Essential Skills Taskforce) which, was a great success. We have now replaced this with Building Green Skills in collaboration with our Environment campaign. The scale and speed of transformation required means that every job will become a green job, and every employee will need the essential, professional, and technical skills to thrive. Therefore, we are offering our members a Green Skills Lab pilot programme, to help them build a fairer and greener world and maximise social impact.

## Diversity and inclusion



## Race

Although already high on the responsible business agenda, the pressing urgency of addressing the growing inequalities in our societies, particularly in relation to the rising cost of living, has been underscored in recent times. We are committed to collaborating with employers to promote economic equality across all levels of business operations.

Since its inception in 2018 with 85 participating employers, the Race at Work Charter has experienced remarkable growth, now encompassing over 1,000 organizations,

collectively representing a workforce of approximately 6.5 million employees. This expansion was informed by the findings of the Race at Work 2021 report, which garnered responses from 24,468 individuals. These insights compelled us to augment the Race at Work Charter from its original five commitments to a more comprehensive seven-point framework, addressing critical aspects of race equality in the workplace. The extended commitments are as follows:

- Appoint an Executive Sponsor for race equality
- Capture ethnicity data and publicize progress
- Commit at the board level to zero tolerance of harassment and bullying
- Make equity, diversity, and inclusion the responsibility of all leaders and managers
- Take action that supports Black, Asian, Mixed Race, and other ethnically diverse employees in their career progression
- Support race inclusion allies in the workplace
- Include Black, Asian, Mixed Race, and other ethnically diverse-led enterprise owners in supply chains

In 2023, more than 200 employers have actively engaged with and completed the Race at Work Charter survey, demonstrating a growing commitment to advancing racial equality within their respective organisations.

## **Gender**

This year has seen employers move from managing working life through the COVID-19 pandemic to tackling a cost-of-living crisis, and the inequalities of pay, power, job security, and harassment and discrimination continue to have a profound impact on gender equality at work, and in some areas are at risk of going backward. These times of crises have highlighted the ongoing challenges faced by employees who are looking to progress their careers while simultaneously juggling caring responsibilities, but equally they have changed ideas about how, where, and when people work, offering a golden opportunity to address this persistent drive of gender inequality.

In collaboration with a range of employers, BITC undertook one of the most extensive pieces of research to better understand what was happening on this front, and how businesses can best address this ongoing challenge. In particular, the research surfaced the voices of those who are not always heard from, such as shift workers, regional employees, and carers looking after older adults. In the current economic and global landscape, we have supported and challenged our members to be faster, braver, and bolder in their action to address gender inequality and foster inclusive working cultures by:

- Creating workplace cultures free of bias and underpinned by enacting change on the four key inequality indicators: pay, power, job security, and the risk of harassment and discrimination.
- Promoting equality in caring responsibilities by building on the findings from our Who Cares research, helping employers to make caring the norm for all, and transforming the way employers think about combining paid work and care.

This year marked the 13th year of publishing The Times Top 50 Employers for Gender Equality 2023, which saw the highest number of applicant organisations. The name of the list, previously The Times Top 50 Employers for Women, has been updated this year to better reflect that addressing gender equality in the workplace requires achieving equality for all and requires engagement from everyone. BITC's gender equality work focuses on equality for all genders and those who do not identify as a gender.

## **Age**

Almost one-third of the UK's working age population is aged over 50. Supporting businesses to be age-inclusive at all stages of recruitment and employment is key to driving a diverse workforce and mitigating the societal challenges faced by older workers.

We developed an Age Friendly Employer framework to help create workplaces where people of all ages can thrive. This involved development of practical resources to support

employers around:

- Supporting Carers
- Menopause flexible working
- Mid-life MOT

## Education

The focus of our Employment and Skills Taskforce is to champion the power of school partnerships. At the heart of this activity is a commitment to partner with schools that support young people from the lowest socioeconomic backgrounds and provide multiple opportunities for them to develop their skills, improve their attainment and gain experience that will support them in future employment.

Pilot practical approaches within their own businesses to support young people and schools, demonstrating the business benefits including developing the skills of the future workforce.

Drive innovation in the areas of education with a specific focus on the role of employers to create change.

- Our partnership with “Barclays LifeSkills” since 2019 has enabled our work across Scotland, Wales and Northern Ireland refreshed to make a bigger difference for students and schools.
  - In Scotland (Jul 2022 – Sep 2023) we worked with 1,608 unique students and 4,758 repeat students in schools in Glasgow and Kilmarnock.
  - In Wales (Jul 2022 – Sep 2023) we worked with 766 unique students and 1453 repeat students.
  - In Northern Ireland (Jul 2022 – Sep 2023) we worked with 1,393 students and 3,552 repeat students.

## Internal management

As an employer, Business in the Community aims to make its vision of responsible business a reality by providing a sustainable, inclusive,

and productive workplace. It was even more important this year that in response to the cost of living our that we offered support for employees in a crisis situation. We therefore established a small emergency fund for colleagues to provide immediate, short-term financial support in the form of a one-off payment of up to £500 net, paid directly into colleagues’ salaries.

We now offer a hybrid work arrangement, to offer more flexibility for our colleagues. We remained committed to prioritising the wellbeing of our colleagues as the impact of the pandemic continued to be felt. We launched our wellbeing strategy aligned to our Workwell model which focused on delivering practical guidance and resources for all colleagues to access. Regular wellbeing conversations between colleagues and line managers remain at the core of our wellbeing strategy.

We have an Employee Assistance Programme which includes structured counselling by telephone, face-to-face or online. Utilising our established internal communication processes and overseen by our Business Continuity Group.

We have continued to ensure that as an organisation we did not lose sight of our commitment to being an inclusive employer. We have taken all our teams through our own advisory service of Race and Gender Equality training, and we have maintained and worked closed with our employee networks and internal experts: BeWell (Health and Wellbeing), CAN (Diversity and Inclusion), UNITY (LGBTQIA+) and our Social Network.

We refresh our people priorities annually keeping these aligned to our business plan and our commitment as a responsible business and employer. We carry out regular materiality assessments to ensure prioritisation in key areas. Business in the Community takes action to tackle gender pay gap and create a more diverse and inclusive workplace. As an employer we are required to carry out Gender Pay Reporting under the Equality Act 2010 (Gender Pay Gap Information) Regulations 2017.

Our mean Gender Pay Gap for 2021/22 is 10.3%,

an increase of 3% as illustrated below: 2019/20 7.3% 2021/22 10.3%. We saw a decrease of 3.7% in the median gender pay gap, to -2.5% as illustrated below. We use our median gender pay gap as this is in line with the reporting of national statistics by the ONS. The negative median gender pay gap indicates that, on average, women are paid 2.5% more than men at the snapshot date 2019/20 1.2% 2021/22 -2.5%

It is our aim to maintain a gender pay gap as near to zero as we possibly can, but we acknowledge that in a small organisation a relatively minor change to the workforce can have a disproportionate impact on the figures. We are determined to monitor our gender pay gap and what drives it, so that we can address any gaps and ensure that all Men and Women at BITC can progress equally.

There is currently no legal requirement to report on ethnicity pay gaps, but we believe that it is incredibly important to do so and have been encouraging other organisations to also report.

The BITC ethnicity median pay gap in 2021/22 was -4% and our mean ethnicity pay gap was -1%. This means that our Black, Asian, Mixed Race and other ethnically diverse colleagues are paid, on average, 4% more than our White colleagues.

We continue to strive to encourage and promote diversity and inclusion with a clear focus on our race commitments and being transparent in our progress, using our ethnicity targets as a key driver of change.

Looking first at our female employees and comparing all black, Asian and ethnic minority female categories against all white female categories, we see that the mean pay gap at BITC is 3.13%. This means that our black, Asian and ethnic minority female population are paid, on average, 3.13% less than our white female population. Taking the same approach and comparing all black, Asian, and ethnic minority male categories against all white male categories, our male ethnicity mean pay gap is 1.62%. Whilst we see a small

pay gap amongst black, Asian, and ethnic minority males and their white colleagues, the gap is greater between females.

Going forward, we are keen to reduce our ethnicity pay gap and will monitor and review our data to ensure that we can act on the insights it gives us. Our focus on inclusion as a key priority for colleagues- especially to ensure fair and transparent opportunities, robust salary governance and job frameworks along with development for all colleagues- will support this.

# ENVIRONMENT

Principle 7: Businesses should support a precautionary approach to environmental challenges;

Principle 8: undertake initiatives to promote greater environmental responsibility; and

Principle 9: encourage the development and diffusion of environmentally friendly technologies.

Business concern for environmental challenges is high but stratified, as evidenced by insights from our RB Tracker® participants. Demonstrating progress against environmental commitments, such as SBTi, Race to Zero, or net zero targets can be a tangible means of demonstrating their responsible business agenda. This year, we worked with members to build momentum and improve behaviors and practice.

## BITC Climate Action Governance

- Climate Action Leadership Team steers the programmes developed at BITC with Louise Kingham, Senior Vice President, Europe and Head of Country, UK bp, chairing the group. Below this are the Net Zero Carbon and Circular Economy Taskforces that focuses on value chain strategy - energy, carbon, materials, and nature.
- Previously, BITC had two taskforces the Circular Economy and Net Zero Carbon. Combining these taskforces will bring more diverse cross-section collaborations, facilitate issue-specific working groups, and the boost profile of achievements.

## Accelerating Climate Action

- BITC accelerates climate action by providing frameworks and resources to incite action with commitments.
- During COP26, BITC published the 7 Steps for Climate Action. The framework

broadly maps the “what” and “how” to help businesses design and deliver just transition plans.

- This publication was accompanied by YouGov research that showed only 12% of people think their job will change and only 11% think their job will require them to develop at least a fair amount of new skills to tackle climate change.
- In 2022, BITC developed three routemaps, expanding on the “how” aspects of climate action - Building Green Skills, Involving Diverse Stakeholders and Embedding Circular Principles for a Just Transition. All routemaps offer practical steps for businesses.
- *Building Green Skills* has three key focus areas. Equipping leaders to empower everyone, embed and enable everyone to contribute, and be inclusive in upskilling for all. *Involving Diverse Stakeholders* explored actions across the themes of mapping to recognize and engage, involve embracing challenges, and value insight, and demonstrated how stakeholder views are acted on.
- *Embracing Circular Economy Practices* focuses on initiating circular economy to be used as a design driver to inform new products and services, businesses collaborating with other stakeholders to create systemic change and integrating responsibility across departments so it's part of everybody's jobs.
- As a member of the PROCIRC Project, we created business networks advocating for circular economy approaches through procurement and in the workplace.
- Business in the Community worked with its members and partners to create two *Joint Statements of Demand* on Circular Professional Clothing and Circular Office Furniture. These set out procurement commitments which the signatory organisations will adopt, mobilizing over £40 million to support circular suppliers.
- Similarly, in partnership with PROCIRC, BITC conducted a collaborative value chain project to explore the barriers to embedding circular practices in the waste water sector.

The project *Optimising Bioresources and Reducing Water Pollution* brought companies together to explore holistic intervention to try and preserve the circular approach of biosolids being used for agricultural purposes amid regulatory changes due to increasing pollution of resources.

- Another angle to embedding circularity within organisations was the *Going Circular for Net Zero* roundtable series. Over the period of a year, four roundtables were held that investigated how to make circular approaches a priority with senior leaders.
- BITC is moving into activation with our 'Labs' approach that will develop processes to embed key principles within organisations. We are currently scoping:
- Circular Fitout Lab will explore how organisational and psychological barriers need to be addressed for circular procurement success in the context of office and retail unit fitouts. The project will be formed of three stages: a research phase, action learning workshops and a statement of demand.
- Green Skills Lab is a pilot programme that will begin to build the culture and capabilities to tackle the climate crisis. Our ambition is for UK businesses to lead a just transition, considering the skills and competencies needed to thrive in an increasingly uncertain world.

increasing the speed and scale of a just transition to a net zero and resilient future.

- BITC is aware that we have the technology to make a difference, however, requires financial and social innovation to deploy at scale. The fund aims to raise £100 million by 2030 to fill the gap.
- These interventions are both short and long term and we will be building on insights from the IGNITION project which was completed in 2021.

## Community Climate Fund

- At the end of 2022, BITC scoped interest for a *Community Climate Fund*, that will mobilise business to help communities create social value and economic resilience through climate action. The fund was scoped after YouGov research in November 2022 found that over half of the UK public believe that if action had been taken on climate action sooner then the cost-of-living crisis would not be as bad (check). This dual approach reduces the impact of the cost-of-living crisis whilst

# ANTI-CORRUPTION

Principle 10: Businesses should work against corruption in all its forms, including extortion and bribery.

Responsible leadership is a key theme that runs throughout BITC. BITC's primary impact on anti-corruption is through its employees and the relationships it holds with its member organisations and supply chain.

BITC is committed to the highest standards of ethical conduct and integrity in its business activities.

The organisation does not tolerate any form of bribery by, or of, its employees, workers, agents or consultants or any person or body acting on its behalf. Senior management is committed to implementing effective measures to prevent, monitor and eliminate bribery.

All employees, secondees, contractors and anyone acting on behalf of BITC agree to abide by BITC's Bribery and Anti-Fraud Policy as part of their employment and involvement with the organisation.

BITC takes a very serious view of any attempt to commit fraud by the members of staff, secondees, contractors or anyone acting on our behalf. All individuals mentioned above are required, at all times, to act in line with our core values and within the BITC code of conduct, in particular to act with honesty and integrity and to safeguard resources for which they are responsible. We believe that all are responsible for being vigilant in preventing the circumstances in which fraud or bribery can be perpetrated or covered up.

BITC's whistle blowing policy protects individuals from workplace retributions for raising a genuine concern, whether a risk to the public purse or other wrongdoing.

If employees, secondees, contractors or anyone acting on behalf of BITC, suspect malpractice or misconduct, they are encouraged to raise a concern and have the option of doing so anonymously.

There are both internal and external points of contact that employees are able to go to in order to raise their concern.

## Governance

The directors, who are the trustees, are elected by a decision of the Board. Directors are eligible for re-election every 3 years and are re-appointed to be a trustee by ordinary resolution of the Members. A list of present directors and those who also served during the year is set out at the end of this report. The Board of Trustee Directors' role is to determine the charity's mission and purpose whilst guarding its ethos & values and ensuring that the charitable purposes as laid out in the constitution are upheld. The Board is responsible for ensuring that the charity complies with all legal and regulatory requirements, and wherever possible, upholds high standards of good governance. The Board ensures the provision of effective fiscal oversight and sound risk management, approves the Business Plan and annual financial statement and budget and ensures that finances are handled in the best interests of the charity.

The Board has detailed terms of reference which were updated and approved in 2021. The Finance & Risk Committee is responsible for supervising the financial affairs of the charity and the Audit Committee for compliance and policy. The Executive Team provides day-to-day management of the charity and monitors performance throughout the year. BITC has Advisory Boards in the Nations of Northern Ireland, Scotland and Wales. In addition, The

Board has an Advisory Board of senior stakeholders to help inform them, and management.

Incoming trustees receive an induction into the work of the charity and meet with the Chairman, Chief Executive, Company Secretary and Finance Director.

The Remuneration Committee of the Board is responsible for setting the annual pay review for staff, after consideration of external benchmarking within the charity sector.

The full Board met five times in the year and:

- Reviewed and agreed the business plan for the coming year and the focus of activities for 21/22, to grow the responsible business movement and to collectively create greater impact;
- Agreed the budget for the year commencing 1 July 2021 and monitored financial performance through the Finance & Risk Committee, and risk through the work of both the Audit Committee and the Finance & Risk Committee;
- Took reports at each board meeting on progress made against 12 organisational KPIs in the Business Plan and of performance against Budget;
- Approved the Report & Accounts for the year ended 30 June 2021 and recommended their adoption by members in general meeting;
- Re-established, and approved the terms of reference, for the Nominations Committee of the Board, chaired by Gavin Patterson, to find Amanda Mackenzie's successor as Chief Executive;
- Took a presentation from the Lead Safeguarding Officer on BITC's Safeguarding Policy and practice;
- Took a presentation from the company secretary on governance, benchmarking BITC against the

Charity Governance Code for Larger Charities;

- Resolved that a central register of trustees' interests be kept, and declarations to be made and minuted as a standing item at each board meeting.
- Took assurance from the Audit Committee that there had not been any data protection breaches requiring a report to the ICO, and that no cyber-attacks had taken place.
- Endorsed the recommendations of the Remuneration Committee on the annual pay review 2022.
- Endorsed plans put forward by the executive to establish a member-only part of the website.
- Endorsed plans put forward by the executive to recognise BITC's 40th anniversary with various events and activities throughout 2022.
- Took a presentation from the executive on BITC's People and discussed various approaches to return to offices.

The Finance & Risk Committee met four times in the year to supervise the financial affairs of the Charity in relation to the plans approved by the Board, to report to the Board any significant variances against these plans and to review the risk to which the Charity is exposed.

The Audit Committee met twice in the reporting period, to oversee the relationship with external auditors, to review risk management and controls framework, to take an annual review of Safeguarding procedures and to review and detect procedures and compliance in regard to Data Protection, cyber security, fraud and whistle-blowing.

The Remuneration Committee met three times in the reporting period, agreed its new terms of reference, the pay review for FY 21/22 and discussed BITC's wider benefits package.

Work also took place with the members of the Board and the Committees outside of the formal meetings.



# CALL TO ACTION

BITC continues in its mission to inspire, engage and challenge members and we mobilise that collective strength as a force for good in society to:

- **Working fairer** – to help everyone reach their full potential.
- **Working greener** – to accelerate climate action.
- **Working together** – to continually improve business and to deliver impact at pace and scale.

We work with our members to make the UK a world leader in responsible business.

BITC reaffirms our support of the United Nations Global Compact and its Ten Principles in the areas of Human Rights, Labour, Environment and Anti- corruption. This is our Communication on Engagement with the United Nations Global Compact. We welcome feedback on its contents and we invite you to join the movement.

For more information about BITC see <http://www.bitc.org.uk/>

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The Prince's  
Responsible  
Business Network