

# **United Nations Global Compact – Communication on Progress 2016**

Our first report, covering  
activities during the 2016  
calendar year.

Anthesis (UK) Ltd

## Communication on Progress

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**“Upholding issues relating to social and environmental sustainability is core to our business, and the UNGC’s principles could not be more relevant to Anthesis. We consider our impact through influence as our most significant contribution to the principles.”**

## Chief Executive’s statement of continued support

It’s a pleasure to present to you our first United Nations Global Compact (UNGC) Communication on Progress report. Our commitment to the ten principles – covering human rights, labor, environment and anti-corruption – is stronger than ever, both in terms of our direct impact on these areas, and our impact through influence, as we work with some of the world’s biggest organizations to support their achievement of social and environmental change to build sustainability and resilience into their own operations.

Our work to promote the UNGC pillars goes far beyond the direct size of our organization through the sustainability projects we deliver for our clients. The future looks bright as we continue to grow as a business and expand our impact by working with our clients on world class, groundbreaking projects – some of which you will read about in this report.

For context, we are an SME with just over 100 people in our UK business, and an additional ~100 across the globe, that together, form the Anthesis Group. It has been less than four years since Anthesis began trading, and we are making sound progress towards consolidating the

admirable social, environmental and financial management activities that have already been taking place across the companies which have come together to form the Anthesis Group. We are committed to continuing this consolidation process into one coherent and consistent approach, and are keen to share our progress with key stakeholders through this and future, communications.

2016 was a year of significant development for our UK sustainability plans – amid substantial UK and global business growth. Our headline achievements included establishing our learning and development ‘Emergen’ program, achieving ISO 14001 certification across five of our UK offices, and becoming signatories of the UNGC. We are proud of the considerable progress we made in 2016, and have summarized progress relevant to the principles of the UNGC in the following sections of the report.

This year, we are focusing our Communication on Progress on Anthesis (UK) Ltd, and hope to extend our scope of UNGC commitments to the global Anthesis Group in the coming years. In this report, we summarize the actions we took in 2016 and plan to take in future to put the 10 UNGC principles into practice –

both through the direct day-to-day operations of Anthesis, and the work we do with some of the world’s leading organizations.

If you are interested to know more, please get in touch with us by emailing:

[sustainability@anthesisgroup.com](mailto:sustainability@anthesisgroup.com)

Yours sincerely,



**Stuart McLachlan**

Chief Executive Officer



## About Anthesis

Anthesis is a specialist global sustainability services and solutions provider founded on the belief that sustainable business practices are at the heart of long-term commercial success.

We develop value-driven sustainability strategy which is underpinned by technical experience and delivered by innovative, collaborative teams across the world. We not only develop solutions for clients, but act as a delivery partner too.

We combine the reach of big consultancies with the deep expertise of our practice leaders from across the globe.

We bring together expertise from countries around the world and have offices in the UK, Ireland, US, Canada, Germany, Sweden, Finland, Middle East, China and the Philippines. We have a track record of pioneering new approaches to sustainability.

We specialize in working with both local public and private sector clients and large, global corporations. Anthesis has clients across industry sectors, including corporate multinationals like Cisco, Tesco and RB, and we have worked with many Global 500, S&P500 and FTSE350 companies. Building productive, lasting relationships with clients is at the heart of our approach.

Anthesis (UK) Ltd, part of the group, have been members of the UNGC since July 2016.

## Structure of team, governance and sponsorship

In our UK business, we have a sustainability team who are responsible for designing and overseeing the delivery of our sustainability program. This team includes a 'Sustainability Champion' in each UK office who is responsible for maintaining the environmental management system (EMS) in their location and contributes to the plan of the program, as well as a Manager to lead the program, and a Director to sponsor the initiatives. The Champions and Manager meet monthly to discuss progress, and engage the Director and CEO as required, at least once quarterly. Examples of successful initiatives led by this group are given throughout this Communication on Progress.

## Our impact through influence

The services we offer to organizations span the breadth of the 10 UNGC principles and we have chosen to showcase one case study for each of the four issue areas of the UNGC. However, our positive impact through influence is not limited to those we work with, and we widen our net of influence by producing and sharing thought leadership materials (more overleaf).







## Our services



Energy



Advisory + communications



Software + systems



Product + supply chain



Transaction + corporate services

## Our thought leadership

We are privileged to have such talented employees who are world leading experts in their respective areas. We want to share our knowledge, experiences and insights because we understand this is key to the resilience of Anthesis. Outside of our core business, we carry out thought leadership activities, including:

**Regular content production on our website, available for free, such as blogs, short guides and videos (we provide a taster of these in the following sections).**

Contributions to external publications, and guest or collaborative blogs on the Anthesis website.

Sponsoring events, hosting round tables and speaking at events and conferences, both to share our insights and support the continuation of such collaboration forums.

**Membership of a number of professional forums and collaboration networks, through which we can actively contribute to the agenda across sustainability issues.**

In the UK,  
we support  
and work in  
partnership with:

### Environmental Industries Commission

Providing the technology  
and services that deliver  
environmental performance  
across the economy in a cost-  
effective manner.

### Low Carbon South West

Contributing to and benefiting  
from a more sustainable future  
through carbon reduction,  
resource efficiency strategies  
and commercialising low  
carbon technologies.

### Carbon Trust

Contributing to and benefiting  
from a more sustainable future  
through carbon reduction,  
resource efficiency strategies  
and commercializing low  
carbon technologies.

### Social Stock Exchange

Working to create an efficient  
buyers' and sellers' marketplace  
for impact investors and social  
impact businesses.

### The Crowd

In 2017, we will be sponsoring  
The Crowd Forum events, a  
monthly dose of inspiration  
for people working in large  
organizations who are  
connecting their businesses  
with society.

### UK Green Building Council

Working to radically improve  
the sustainability of the built  
environment.

### Business In The Community

Working together with other  
members to tackle a wide range  
of issues that are essential to  
building a fairer society and a  
more sustainable future.

Our global  
team founded  
and host:



PRODUCT  
SUSTAINABILITY  
ROUND TABLE

[Read more page 24](#)

A photograph of a construction site at sunset. Two large tower cranes are visible against a bright orange and yellow sky. In the foreground, the dark silhouette of a building under construction is visible, with some lights glowing from within. The overall scene is industrial and dramatic.

## **How we uphold the ten principles of the UNGC**

For each of the four issue areas of the UNGC, and the principles which sit beneath them, we present a summary of how we are directly implementing these principles through our day-to-day operations at Anthesis, as well as our work with clients (i.e. our impact through influence).

**UNGC Principle 1:** Businesses should support and respect the protection of internationally proclaimed human rights; and

**UNGC Principle 2:** make sure that they are not complicit in human rights abuses.



# Section 1: Human Rights



### Our commitment

Anthesis' commitment is laid out in our 2016 sustainability policy, championed by our CEO, explicitly:

**“We will uphold human rights in our business and encourage our value chain to do the same.”**

We strive to uphold human rights in accordance with the **Universal Declaration of Human Rights** and aim to implement responsible action according to the **Guiding Principles for Business** introduced by the **UN Human Rights Council** in 2011. We also support and follow the UK Government's leadership in rolling out guidance for business to integrate human rights.

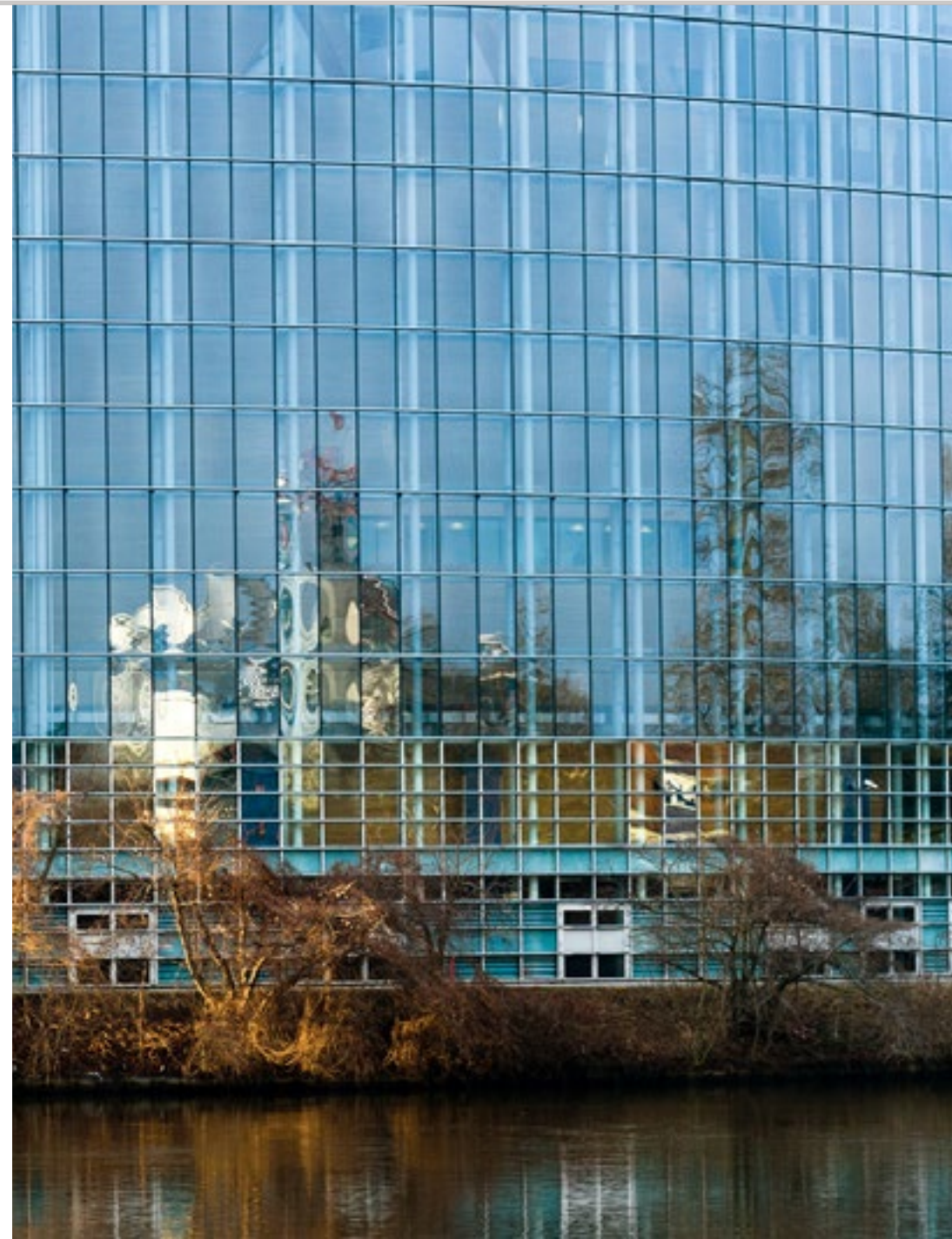
The nature of Anthesis' services and products is grounded in environmental, business and social responsibility, and our sustainability policy, published on our website, summarizes the principles at the core of our approach.

As well, our public interest disclosure (whistleblowing) and anti-bribery and corruption policy guides our practice in relation to human rights.

We encourage a culture of open discussion so that employees feel they can raise issues or concerns as they arise, and complement this with an anonymous annual colleague survey, first developed and implemented in 2016. Our HR function, along with senior management, are responsible for updating policies, reviewing progress towards implementing them, and monitoring any breaches which may occur. In regards to our value chain, we have a responsibility to understand and influence the human rights processes of both our suppliers and clients.

Our commitment to progress in the area of upholding human rights, both within our own operations and in our supply chain, is reflected in our 2017 commitment to consolidating our sustainable procurement policy, providing awareness training for colleagues, and to undertaking a human rights impact assessment.

“We encourage a culture of open discussion so that employees feel they can raise issues or concerns as they arise”





## Actions to uphold our commitment

### Progress in 2016

We finalized and communicated our internal approach to human rights and ethical trading principles, after consultation with colleagues, within our new 2016 colleague handbook. Our sustainability policy, public interest disclosure (whistleblowing) policy and anti-bribery and corruption policy are all contained within this handbook.

We finalized our standard employee contract template which includes our anti-bribery and corruption policy.

In 2016 we implemented our first colleague survey which collected feedback anonymously across all areas of the organization and gave employees a mechanism to raise issues (see highlight).

No grievances were raised related to human rights or any other issue areas in 2016.

### 2017 commitments

We commit to undertaking a second colleague survey in 2017 and using the findings to further improve our practices in relation to human rights and other areas.

We commit to finalizing and publishing our sustainable procurement policy to standardize our approach to sourcing across the global business.

We commit to delivering awareness training for employees regarding human rights and sustainable procurement.

We commit to supporting our suppliers and partners to make suitable choices in line with our sustainable procurement policy.

We commit to undertaking a human rights impact assessment within our business.

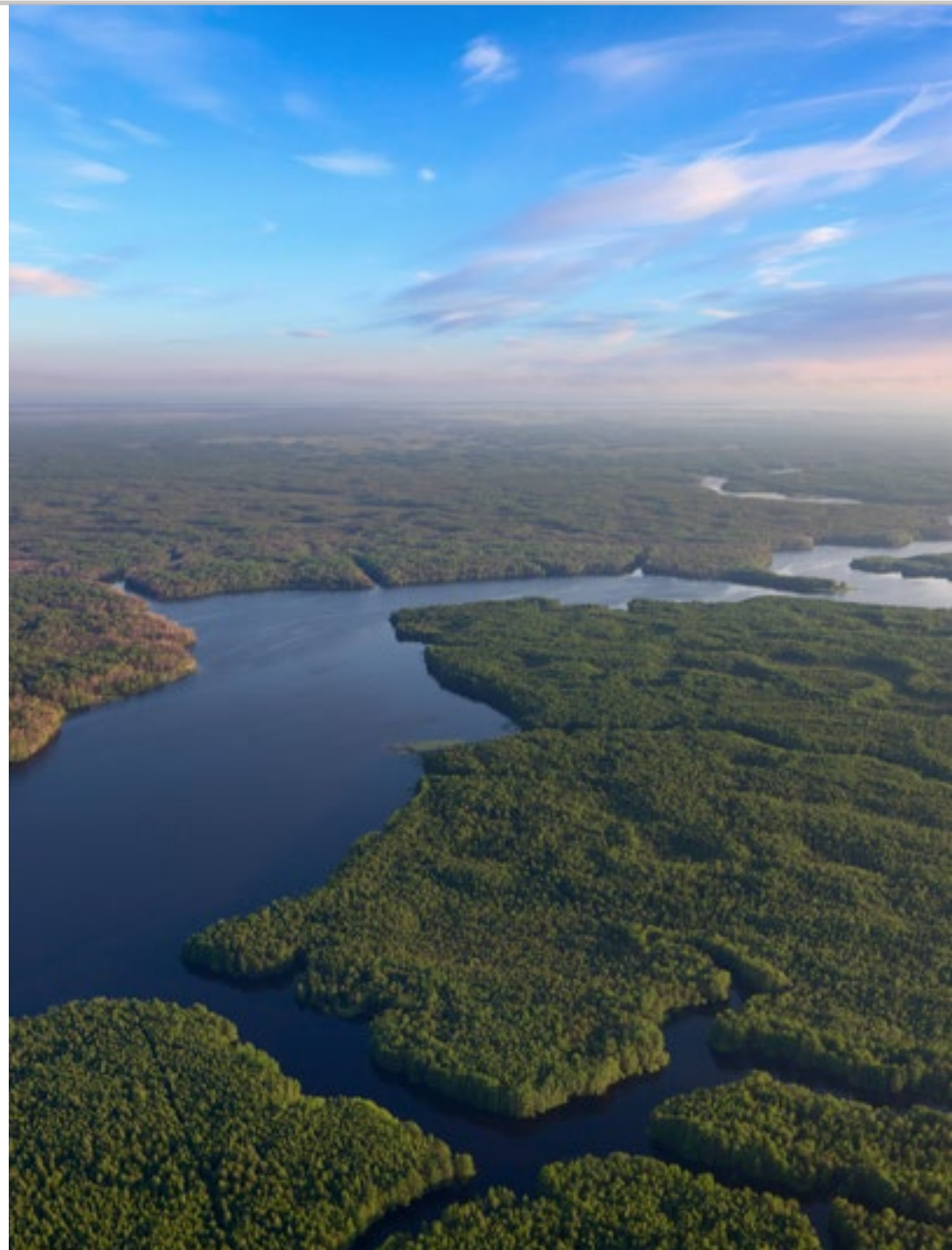


# Making a difference: our first global colleague survey

We had a strong, 76% response rate to our first global colleague survey. The results showed that our employees value the following areas most: vision and purpose; leadership; collaboration and teamwork; and work/life balance. Overall, employees felt that their job makes a difference and they enjoy working in the field of sustainability. They also felt that Anthesis peers are supportive of one another, and individuals feel encouraged to share their ideas. Some improvement areas were identified: feeling more connected to colleagues globally; efficiencies in systems and processes; more job-related training; and better understanding of our own internal sustainability program. In response to this feedback, we launched new global knowledge sharing systems, processes and forums; created a new colleague training and development program; and increased our focus on internal sustainability campaigns, communications and reach.

This survey was further supported by a cultural review undertaken across the UK business, designed to deepen our understanding of differences in working practices across diverse teams, and to help promote tolerance and appreciation of cultural differences. The results were shared with the relevant practice areas and were greatly appreciated as a learning tool and a forum for sharing viewpoints.

“The results showed that our employees value the following areas most: vision and purpose; leadership; collaboration and teamwork; and work/life balance”





**“The challenge with this type of project is finding the right advisory partner that instinctively understands what is needed, understands our business, and can deliver efficiently against the project brief. Anthesis’ way of working and communicating enabled us to execute the project on time, on budget, and to an excellent standard.”**

**Heinrich Jonker, Quality Systems Manager, SIG Building Solutions (Steadmans)**

### Spotlight on...

#### Responsible sourcing in the construction sector

Anthesis was engaged by Steadmans, a major supplier of steel cladding and roofing, to support them on their journey to achieve BES 6001 Framework Standard for Responsible Sourcing certification. This would allow Steadmans to assure their customers that they are sourcing their materials responsibly – from social, ethical and environmental perspectives. We provided recommendations to maximize their BES 6001 responsible sourcing score, as well as improvement opportunities beyond the scope of the standard to formalize and improve Steadmans’ approach. This included recommendations for processes and procedures around issues such as procurement practices, supply chains, transport emissions, life cycle assessments, and engagement with local communities.

Steadmans successfully achieved BES 6001 Framework Standard for Responsible Sourcing certification, and their score highlighted that the company is excelling in particular assessment areas. With Anthesis’ support to go beyond the basic scope of BES 6001 requirements, Steadmans is considering a broader portfolio of business resilience issues, e.g. upcoming supply chain risks, and giving their organization a higher level of differentiation in the marketplace.

### Thought leadership

#### Anthesis content taster



**Blog:** Getting a handle on social value



**Blog:** The scientific revolution: science-based materiality and aligning with the Sustainable Development Goals



**Blog:** Top tips for world class materiality



**Vlog:** Supply chain engagement

**UNGC Principle 3:** Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;

**UNGC Principle 4:** the elimination of all forms of forced and compulsory labor;

**UNGC Principle 5:** the effective abolition of child labor; and

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

# Section 2:

# Labor

## Our commitment

Anthesis upholds freedom of association and effective right to collective bargaining for all our employees. Our sustainability policy states our commitment to “Treat our employees fairly – responsible employment contracts, fair working conditions, opportunities for development, equal opportunities, and protecting their health and safety”.

We believe that employee empowerment and freedom of association are key drivers of our success as a business. We strive to give employees a voice, to develop skills, and to embrace a transparent and open culture. In particular, Anthesis is founded on the basis of trust and empowerment for all our employees.

All colleagues are engaged on business performance during monthly meetings chaired by our CEO. All employees are invited to become shareholders in the organization, with the result that Anthesis is 72% employee owned.

**“We believe in a way of working based on values and trust, and in co-creating, with our employees, a mutually supportive, agile workforce.”**

Anthesis employee contract templates and our colleague handbook have both been updated and standardized in 2016 to state clearly the right to annual pay reviews for all employees, grievance procedures, and policies such as public disclosure (whistleblowing) and anti-bribery and corruption. Colleague development is supported by our yearly appraisal process and by our learning and development (L&D) program, the Emergen Program, which was inaugurated in 2016 alongside our new L&D function within the business. We keep ourselves abreast of best practice in employee relations and consultation through the support of an external human resources agency.

**“Treat our employees fairly – responsible employment contracts, fair working conditions, opportunities for development, equal opportunities, and protecting their health and safety”**







## Our commitment (continued)

Anthesis offers all employees the opportunity to take part in health and wellbeing initiatives, including:

- » [A tax-free childcare voucher scheme](#) – an average of 8 colleagues chose to use this scheme in 2016.
- » [A tax-free cycle to work scheme](#) (and bike storage facilities) – in 2016 an average of 1.5 colleagues chose to use the scheme, which was promoted during our safe, green travel week in October 2016.
- » [Free flu vaccines and free eye tests](#) – 13 colleagues took up these health benefits in 2016.
- » [Two volunteering days annually and a payroll giving scheme](#) – we were only able to amount 22 hours of support for charitable/ community organizations in 2016, and had no uptake of the payroll giving scheme, which we are aware is most likely due to no active promotion of these initiatives to colleagues; raising awareness of these initiatives is a key aim for 2017.

- » [A flexible working policy](#) – available to all staff.

Our equal opportunities policy outlines how we endeavor to eliminate discrimination across all types of diversity. We are committed to promoting gender equality across our operations and, in 2016, women made up 60% of our workforce.

Anthesis supports the elimination of all forms of forced or compulsory labor in line with the 2015 UK Modern Slavery Act and supports the effective abolition of child labor. Our commitment to ethical trading in this regard is laid out in our sustainability policy. Our anti-bribery and corruption policy further supports our commitment to ethical trading principles.

As a developing, purpose-driven business, we believe we have an opportunity to advance both our own human rights performance through our business model and business culture, and to influence and guide other businesses through our services, community and business engagement, and thought leadership.

## Actions to uphold our commitment

### Progress in 2016

We finalized our colleague handbook after consultation with all colleagues. The handbook contains a number of resources which contribute to positive labor practices including our grievance procedure, an equal opportunities policy, a personal harassment policy and procedure, and a lone working policy.	We created a new role for a Learning and Development Manager in 2016, and formed a Human Resources function to support our growing UK business. This team has formalized Anthesis' approach to training and, along with Anthesis' senior management, this function is responsible for updating policies and monitoring any breaches which may occur.
We standardized our employee contract template. Contracts clearly outline full terms, working hours, pay and benefits, and include our anti-bribery and corruption policy.	We were awarded a 'Certificate of Achievement for High Standard Employment Practice' by our human resources agency, Peninsula, and are working with them to continue to refine our practices.
We empowered all colleagues to develop their skills through our innovative, person-centered, Emergen program designed to develop all staff to their fullest potential, which launched in 2016 (see highlight).	We began a rolling program of client feedback in 2016 so that we can better understand our clients' opinions of working with us, and make improvements to our service delivery where necessary.
We implemented employee forums and discussion groups as part of our new CRM and project management platform, Kimble.	We expanded the sharing of knowledge across our global team through internal webinar sessions on the services we provide for clients, including areas such as addressing modern slavery in supply chains.
We consulted our colleagues through our annual survey (see highlight section 1: human rights).	We have strengthened our employee induction program and materials, including a buddying system to help new employees feel supported.







## Actions to uphold our commitment (continued)

### 2017 commitments

We commit to undertaking a policy gap analysis with regards to forced and child labor.	We commit to undertaking a risk assessment for forced and child labor within our business operations.
We commit to gathering equality metrics with regards to equal pay and opportunities.	We commit to producing a clear career progression map to support all colleagues.
We commit to launching all modules of our colleague training program.	We commit to providing a knowledge sharing platform across the global business.
We commit to reviewing our employee appraisal system to identify opportunities for a more 'real-time', active feedback system.	We commit to listening to and engaging with our colleagues on our sustainability program.
We commit to continuing to embed our consolidated health and safety policy and processes.	We commit to promoting our health and wellbeing opportunities, particularly annual volunteering days, to increase uptake.



## Emergen program for colleagues and clients

In April 2016, we launched our new colleague training and development program called the Emergen Program. It is designed to support all employees in emerging from where they are to where they want to be – creating the career they want at Anthesis. As part of this, we launched modules on project management, line manager training on appraisals and feedback, Excel training, and an introduction to mindfulness ahead our complete Mindfulness Program scheduled for early 2017.

- » 100% of our employees received training in 2016
- » 7 training modules launched, with plans to introduce 15 more during 2017
- » 79% of our project managers received project management training, which 75% rated as Good
- » 100% of colleagues who attended Microsoft Excel training rated it as Good or Excellent

One particular strand of the Emergen Program is focused solely on our clients, offering them the opportunity to spend time with our world class experts to accelerate their sustainability progress and unlock tangible business value from looking at their organization's operations through a sustainability lens. The focus is on revenue growth, cost cutting, brand enhancement, and risk mitigation. It is a unique shared learning opportunity for us and our clients – as we are able to better understand how we can tailor our services in line with clients' changing priorities, and our clients are provided with world class expertise garnered from across the Anthesis Group.

## Our Health and Safety achievements

### Progress in 2016

Our health and safety (H&S) coordinator, and senior management, are responsible for ensuring our ongoing compliance. In 2016, we continued to consolidate the H&S procedures in place across offices into an overarching H&S framework, which manages all aspects of H&S delivery for Anthesis in the UK and is structured around the 'plan, do, check, act' system.

As part of this, we consolidated training materials for all employees across induction, ergonomics, office and home working employees, and trained/re-trained a minimum of one employee per office in first aid/fire warden duties. We also conducted H&S office inspections and risk assessments for all UK offices, and have signed up to an external H&S support agency to conduct independent audits of our UK sites during 2017.

We consolidated emergency response plans for Anthesis in the UK to deal with terrorist incidents, civil disturbances, explosions and natural disasters.

We had zero breaches of our H&S policy or processes, and there were three minor work-related injuries which required basic first aid.

We developed a bespoke H&S risk assessment tool to help employees better manage requirements when delivering work for clients.

**“100% of colleagues who attended Microsoft Excel training rated it as Good or Excellent”**



## Spotlight on...

### Supporting compliance to the UK Modern Slavery Act

Our client, a leader in corporate responsibility, identified they needed to publish a Modern Slavery Statement for each of their UK legal entities to comply with the UK Modern Slavery Act 2015. They recognized they would need to assess the potential risks of modern slavery and human trafficking in their supply chains, and to review their policies and procedures to ensure these risks were being addressed.

Anthesis carried out a four-stage approach: we undertook a gap analysis of existing documentation to manage customers and suppliers; we then analyzed the company's expenditure on procurement activities against the Anthesis Supply Chain Risk Framework, to assess which supplier categories might pose a risk of modern slavery, and which might require further investigation. The third stage was to produce a summary of the findings in the form of a draft modern slavery policy, and an action plan. Finally, we drafted a robust Modern Slavery Statement that could be supported by the evidence and actions developed throughout the project.

Each entity of the organization has now been provided with a recommended action plan, a modern slavery policy, and a statement that complies with the act, which they can publish and use to communicate with internal and external stakeholder audiences.

## Thought leadership

### Anthesis content taster



**Blog:** Modern slavery – no more hiding places for companies



**Blog:** Revolting fashion and the Modern Slavery Act



**Short guide:** Modern slavery – our two page guide



**Blog:** Undressing the apparel supply chain



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


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

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



# Section 3: Environment





**“Sustainability is at the very heart of what we do – working with other organizations to develop, manage and promote their social and environmental activities. But this isn’t just a business strategy; each individual at Anthesis is personally committed to sustainability and actively looks for ways to make a difference.”**

**Stuart McLachlan, CEO**

## Our commitment

At Anthesis we are committed to protecting the environment at the highest level. As the services we deliver are primarily advisory and software-related, we consider ourselves to have a low-risk of adverse environmental impact. We undertake initiatives to promote greater environmental responsibility for our clients through developing sustainability-related strategy, as well as our bespoke tools, methodologies and other services – such as footprinting and reporting, risk hotspotting (RiskHorizon™), energy and carbon management, and circularity and food waste metrics. Our impact through influence is extended through our rolling and increasing program of thought leadership activities.

The main environmental impacts of our own business are through our office operations and business travel to meet with our clients and colleagues. As part of our day-to-day operations, we use resources sparingly, and carefully monitor and manage our use of fuel, electricity and water. We procure office supplies responsibly wherever possible, including organic fruit/milk supplies, and office stationery made with recycled content. We have suitable waste and recycling measurements in place at all of our offices, including a separate food waste stream where

possible, and WEEE collections to enable us to dispose of electronic equipment responsibly. To reduce the need for travel, we make best use of online communication tools to talk with each other, and employ a travel hierarchy to ensure journeys are made in the most energy-efficient and safe way.

We have an environmental management system (EMS) certified to ISO 14001:2004 standard by Intertek (see highlight). This system allows us to proactively identify the environmental aspects of our activities, and to determine those which have, or can have, significant effects on the environment.

We review the scope of the EMS annually, and are committed to improving the way we work to reduce our negative environmental impact, guided by our detailed internal targets. We have a colleague with lead responsibility for maintaining the EMS (and organizing associated training), and undertake both internally- and externally-led audits.

While our environmental measurement and monitoring procedures have matured well in the few years Anthesis has been trading, we are committed to extending the rigor and reach of our program over 2017.

## Actions to uphold our commitment

### Progress in 2016

We achieved ISO 14001 certification across our UK operations (see highlight).

We consolidated the way we audit our office-generated waste (at least one week per quarter), so that we can set reduction targets once we have collected sufficient data.

Our UK Sustainability Champions held two employee engagement weeks in relation to food waste and green travel (see highlight).

We implemented a scalable system for gathering data on business travel.

We undertook a survey of commuting habits. 77% of colleagues responded; of these, 78% used public transport or walked, while just 16% travelled by car.

We implemented green tariff electricity in the offices where we have the flexibility to do so.

### 2017 commitments

We commit to reviewing our overall sustainability strategy to maximize impact, governance, and reach.

We commit to consolidating our good practice across acquired businesses into a single sustainable procurement policy, expenses guidance and accompanying awareness training for UK employees.

We commit to producing greenhouse gas reports from which we can benchmark our performance in the UK.

We commit to reviewing our sustainability reporting options to determine the most effective system for our business.

We commit to fitting smart energy meters in the offices where we are permitted to do so to give us greater visibility on energy use.

We commit to supporting our employees to use their volunteering days on environmental (or other) opportunities.

We commit to continuing to expand the scope of our EMS.

# 78%

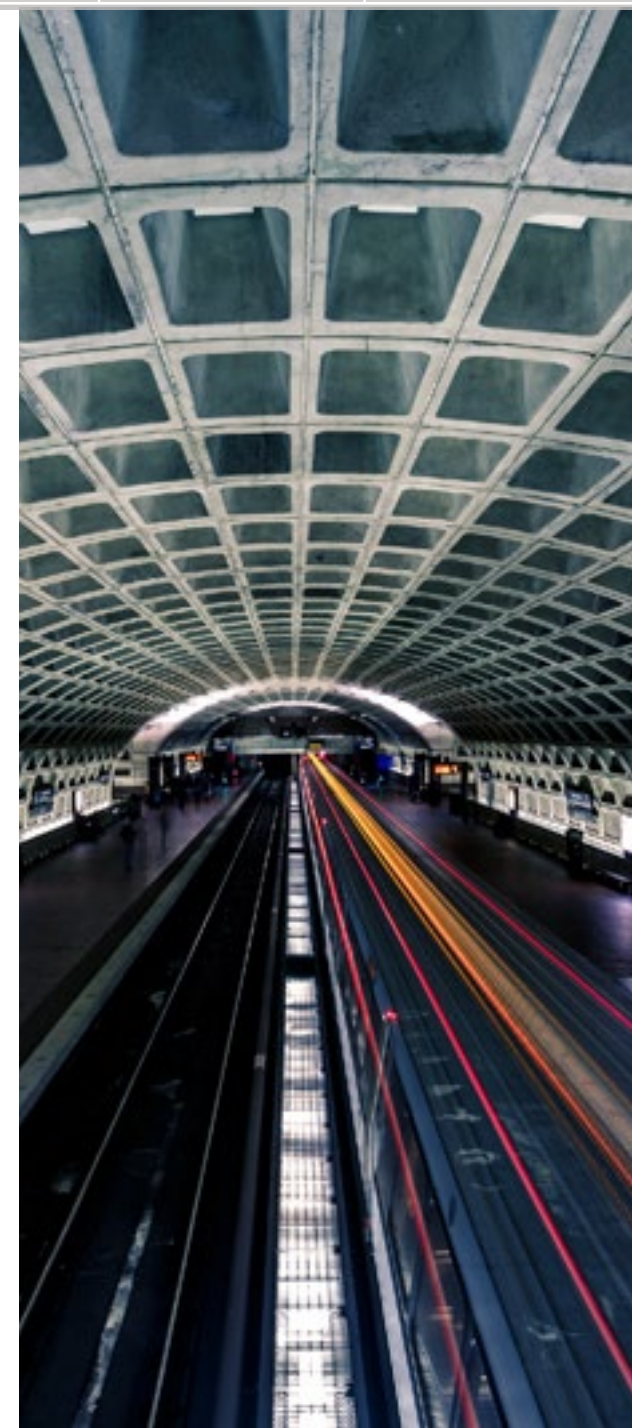
of colleagues commuted via walking or using public transport

Food waste  
4.135kg

Mixed recycling  
3.36kg

Residual waste  
3.33kg

Average waste per office per week in 2016







## ISO 14001 certification achieved across five of our UK offices

The EMS at our offices in London, Oxford, Manchester, Macclesfield and Tormarton were all certified to ISO 14001:2004 in 2016, providing robust and external verification of the EMS we already had in place. Our system received a 'mature' rating (4 out of 5), with a view to being 'exemplary' next year (5 out of 5). As part of this system, we have processes across our offices to collect data on waste generation, energy, water and paper use, so that we can manage our environmental impact. We also have a method for collecting business travel data, and have gathered a sample of commuting data too. Furthermore, our detailed internal targets are ensuring we continuously improve these systems, e.g. we plan to refine and re-promote employee guidance to ensure we are able to more accurately track all business travel in 2017.

In addition, we carried out two colleague engagement campaigns during 2016, addressing the topics of food waste and safe, green travel. These weeks received fantastic feedback, with each office running in-person activities (some of which engaged office neighbors too), and 38% of colleagues choosing to take part in additional online discussions and photo sharing. Based on this success, we are planning to run engagement campaigns to coincide with World Environment Day and World Mental Health Day in 2017, as well as considering ways we can engage our colleagues who work remotely.

In late 2016, Bristol-based energy and carbon management specialist firm Sustain joined the Anthesis Group. Their office is already certified to ISO 14001:2004, and we are looking forward to integrating these two systems in future.

"Our system received a 'mature' rating (4 out of 5), with a view to being 'exemplary' next year (5 out of 5)"



## Spotlight on...

### Product Sustainability Round Table

We organize the Product Sustainability Round Table (PSRT), which has been bringing together sustainability experts from some of the world's largest and most respected organizations for more than 24 years. The PSRT offers a uniquely successful combination of a dedicated think-tank, industry association working group and leading sustainability conferences. Members collaborate to deepen their understanding of issues and trends, share collective experiences and expertise, and strengthen their capacity for addressing sustainability challenges.

The PSRT meets in a collaborative and non-competitive environment to discuss:

- » The major current and emerging issues, trends and opportunities within the product and organizational sustainability space
- » The relevance of these issues and opportunities for members' organizations
- » The approach being taken by leading organizations to address these issues

In 2016, the PSRT covered many hot topics, and also developed the Sustainability Leadership Framework, which helps organizations to embed sustainability into their culture.

## Thought leadership

### Anthesis content taster



**Blog:** Brexit: the implications on waste and the circular economy



**Blog:** Social innovation: a new frontier for the war against food waste



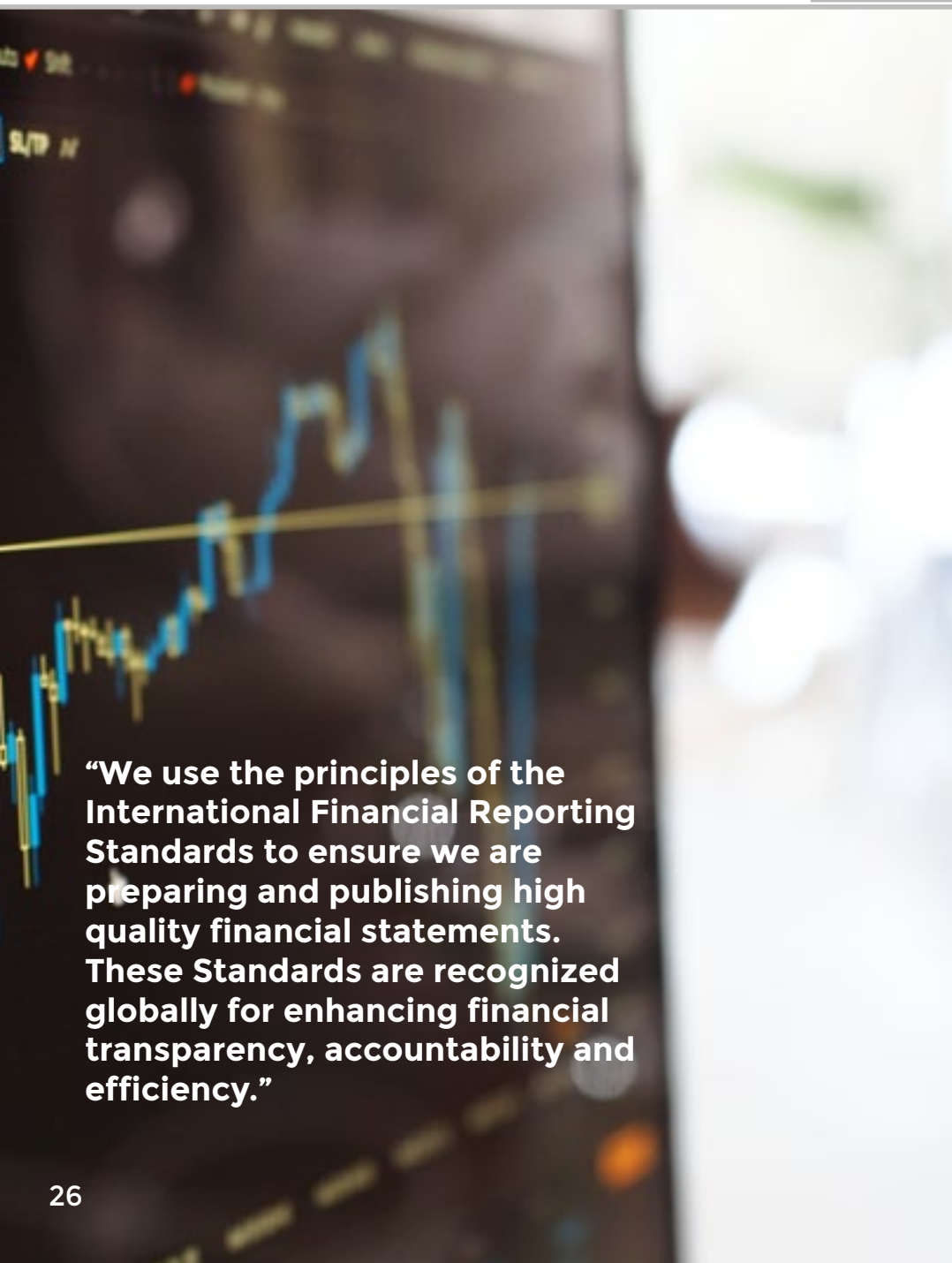
**Vlog:** Cashing in on carbon to make it more visible to your business



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



# Section 4: Anti-corruption



**“We use the principles of the International Financial Reporting Standards to ensure we are preparing and publishing high quality financial statements. These Standards are recognized globally for enhancing financial transparency, accountability and efficiency.”**

## Our commitment

We have a zero-tolerance approach to bribery and corruption across the whole of Anthesis and in all the geographies where we work, which includes in-cash/-kind bribery, embezzlement, fraud and extortion. Our anti-bribery and corruption policy is written into every colleague contract and forms part of our colleague handbook, which details that all those representing Anthesis must comply with all applicable laws, including the UK Bribery Act 2010. Our policy outlines our commitment to pursue all business in an ethical and honest manner, and to communicate the policy to our business partners, too. The board has primary responsibility for reviewing the policy, and ensuring that any instances of non-compliance are dealt with appropriately.

Our business activities are subject to annual external audits and all acquisitions are subject to a strict due diligence process. We keep evidence of all financial transactions, issue weekly cash reports to ensure visibility over our working capital, and monthly management accounts and forecasts. We have never been involved in any legal cases, or other instances, of bribery and corruption. We take special care when giving gifts and entertainment, such as event hospitality, and never do so to gain any commercial, contractual, regulatory or personal advantage.

We keep records of any gifts offered over a value of £200. We complete contracts and, where needed, non-disclosure agreements before we commence work with clients, outlining clear pricing (e.g. based on day rates of employees) and other terms of working.

Our company-wide culture of trust is designed to empower our employees to voice any concerns they may have regarding potential instances of corruption. Furthermore, we employ a transparent approach to financial performance across the business with regular monthly updates supplied by the CEO at all-colleague meetings. These meetings are recorded for people who are unable to attend.

It is part of our core business to help organizations ensure their own operations are not complicit in any form of corruption, either directly, or anywhere in their supply chain. For example, our software tool RiskHorizon™ enables decision makers to understand global risks to their businesses better.

As we form and maintain business relationships with organizations around the world, sometimes in regions with less stable political climates than the UK, we understand that we need to carry out a formal assessment of potential corruption risk areas for our business operations in the coming year.



## Actions to uphold our commitment

### Progress in 2016

We finalized our UK colleague handbook, which includes our specific anti-bribery and corruption policy (outlined on previous page). In addition, we have a whistleblowing (public interest disclosure) policy and process in place to provide wider protection, should any colleagues feel the need to raise other issues of illegality or injustice.

We had no breaches of our anti-bribery and corruption policy, and no whistleblowing procedures were raised.

Our financial accounts for 2016 were reviewed and signed off by external auditors; this auditing process involved significant focus on measures we have in place to mitigate fraud and reduce our risks in relation to currency fluctuation in our global marketplace.

### 2017 commitments

We commit to carrying out an anti-bribery and corruption risk assessment for relevant colleagues, and to reviewing this annually.

We commit to provide ongoing awareness training for all colleagues on the details of our anti-corruption policy.

We commit to establishing a system to review the effectiveness of our anti-bribery and corruption policy and to setting regular review dates.





## Considerable organizational growth in 2016

As well as significant organic growth, Anthesis acquired one new organization in the UK in 2016, Bristol-based energy and carbon management specialists, Sustain (as well as three further acquisitions and strategic alliances as part of the global business). As with all acquisitions, our due diligence processes covered financial and operational aspects. While we have the skills to carry out most of this due diligence internally, we received support from an external auditing firm during the acquisition of Sustain, our largest to date, to validate financial information and help us make the final decision about expanding the Anthesis Group.

“As with all acquisitions, our due diligence processes covered financial and operational aspects”

## Spotlight on...

### Using RiskHorizon™ for horizon scanning ESG risks

RiskHorizon™ is a purpose-made tool to help decision makers understand their risks, and possible scenarios, better. It is a ground-breaking, cost-effective and web-based tool spanning millions of data points from more than 40 countries, covering 25 global risks (economic, environmental, technical, social and geo-political). It can support investment officers to undertake sector level environmental, social and governance screenings; risk management professionals to assess risks; supply chain managers to monitor the supply chain; and C-suite to shape long-term strategy by monetizing risks and opportunities.

Outputs from RiskHorizon™ are displayed in a dashboard, which allows our clients to:

- » Quickly screen the commercial and financial implications of sustainability factors in any investment process
- » Reduce transaction costs and time by early identification of potential red flag issues
- » Identify outperformance opportunities, to bring identified positive cash flows quicker than anticipated

## Thought leadership

### Anthesis content taster



**Vlog:** Are you ready for what's over your RiskHorizon™?



**Blog and factsheet:** The EU Non-Financial Reporting Directive: getting value from compliance



**Two page guide:** RiskHorizon™







## Our 2017 UK plan

We have three key themes for 2017:

**Back to basics** - consolidating the metrics we collect in Anthesis in the UK so that we are able to report these more fully in future years. We have a number of detailed targets sitting within this theme.

**Going global** - connecting our UK sustainability plans with our Anthesis teams across the world.

**Exciting stuff** - a global Anthesis campaign to engage staff on the issues that really matter to them.

It's an exciting time, and we look forward to communicating our global vision, and the plan to achieve it, in our next Communication on Progress. In the meantime, please look at our website for updates on our progress.



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COMMUNICATION ON  
PROGRESS

This is our **Communication on Progress** in implementing the principles of the **United Nations Global Compact** and supporting broader UN goals.

We welcome feedback on its contents.