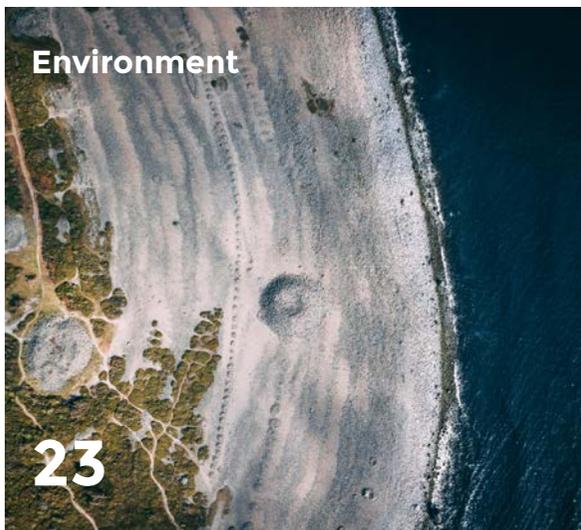
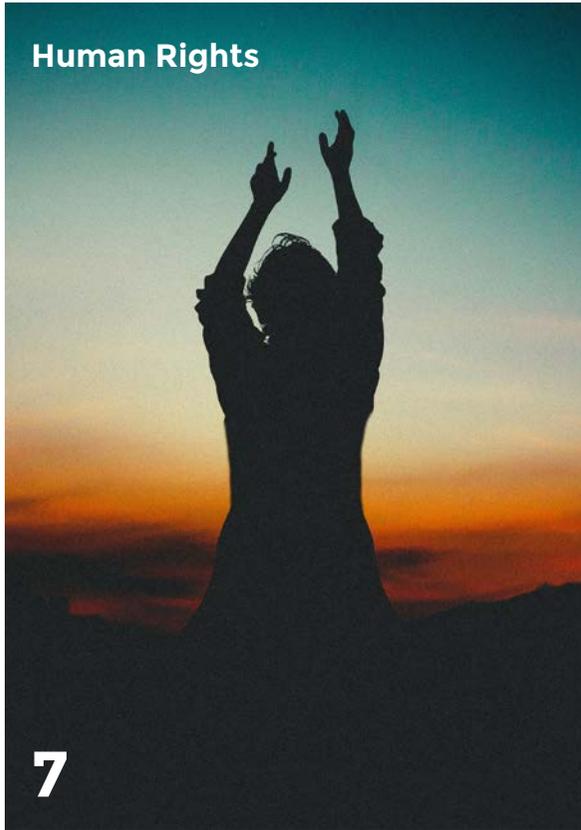




**United Nations
Global Compact
– Communication
on Progress**

Our second report



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Chief Executive's statement of continued support

It's a pleasure to welcome you to our second United Nations Global Compact Communication on Progress report. Our commitment to the 10 principles remains as strong as ever, both in terms of our direct impact, as we further develop our own Corporate and Social Responsibility (CSR) program, and in terms of our impact through influence, as we work with some of the world's largest organizations to support their achievement of social and environmental change.

Our 2017-18 reporting year saw significant development for our UK CSR program - amid substantial UK and global business growth - through the creation of two new roles. Our new Chief Sustainability Officer, Paul Crewe, will steer, sponsor and champion the program at a global and board level, and our new Safety, Health, Environment and Quality (SHEQ) Lead, Andy Marsh, is now responsible for compliance and standards across all our UK operations.

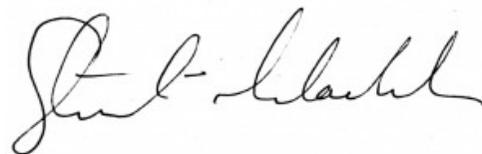
“Unity, not Uniformity”

We are an SME with just over 110 people in our UK business, and an additional ~100 across the globe. It has been less than five years since Anthesis began trading, and we are making sound progress towards consolidating the social, environmental and financial management activities that have already been taking place across the companies which have come together to form the Anthesis Group.

Our progress has been recognized externally too, achieving eighth place in the Sunday Time's SME Export Track 100 and being named in the London Stock Exchange Group's '1000 Companies to Inspire Britain' report. Both these achievements are testament to Anthesis' rapid growth, and to our trust and empowerment business model which thrives on 'unity not uniformity'.

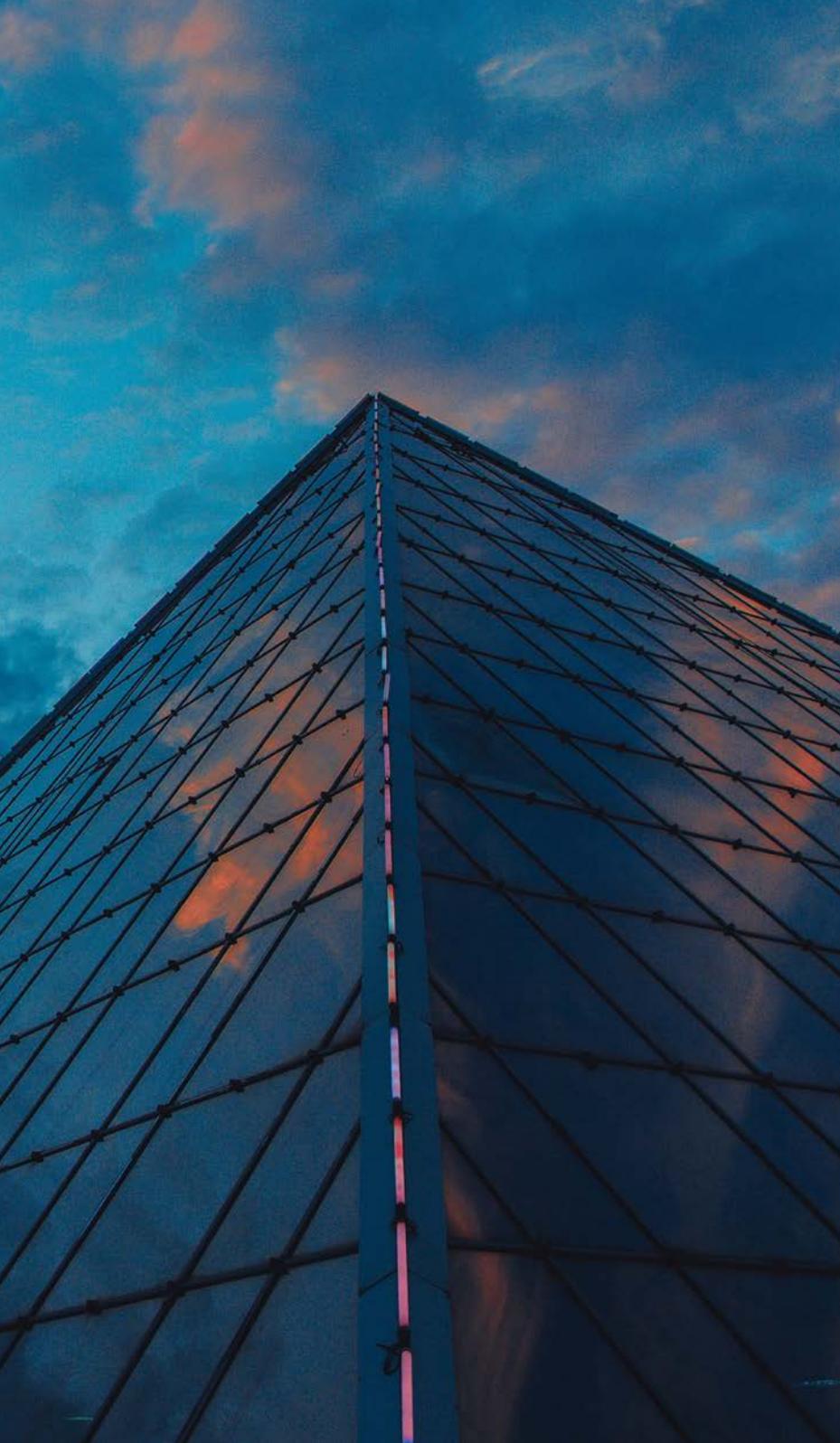
We also formed a Diversity and Inclusivity (D&I) working group and introduced our commitment to run a D&I program at our Employee Conference in December 2017.

In this, our second UNGC report, we summarize the actions we took between February 2017 and January 2018 to uphold the 10 UNGC principles and lay out our intentions for the next reporting period. We set our targets high last year and are proud of the progress we have made towards achieving them.



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 using our data analytics and broad insight, but provide creative solutions and act as both a delivery and financing partner, too.

We combine the reach of big consultancies with the expertise of our practice leaders and our in-house energy and engineering delivery teams.

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

Anthesis has clients across industry sectors, including corporate multinationals like Coca-Cola, Tesco, and RB. Building productive, lasting relationships with clients is at the heart of our approach.

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

About this report

Examples of initiatives led by the UK business are given throughout this Communication on Progress. We made progress in globalizing our program during 2017, and this report also covers activities undertaken elsewhere. We have included a section entitled "*North America Leads the Way*", where we feature initiatives specific to the region.

While our ultimate aim is to make our UNGC report and Anthesis CSR activities truly global, for 2017 we have focused on our largest areas in terms of colleagues: 75% are currently based in the UK and North America (of which 77% are UK based and 23% are North America based).

Our CSR team, in conjunction with experts around the business and our visualization team, are responsible for this report. The content in the report covers the 2017 reporting year, which runs from 1st February 2017 - 31st January 2018.

Anthesis CSR

Structure of team, governance and sponsorship

Anthesis' CSR activities are sponsored by Chief Sustainability Officer, Paul Crewe. Our UK CSR team was formally established in 2016 and has taken the lead on coordinating CSR activities. The team has also collaborated with our North America CSR Lead, Jennifer Clipsham, to deliver global initiatives and ensure alignment.

For this reporting period our UK team comprised Helen Tyrrell (CSR Lead) and Laura Thompson (EMS Lead) as well as a 'champ' from each UK office. These 'champs' deliver our Environmental Management System (EMS), run local campaigns and initiatives and contribute to the overall program plan. In January 2018, the new role of SHEQ Lead was created and, in this role, Andy Marsh took over responsibility for EMS and compliance from Laura Thompson. Mentorship and advice for the UK program has been provided by Ben Tuxworth who also has overall responsibility for reporting decisions.

The UK CSR and SHEQ Leads meet with champs monthly to discuss progress against targets and annually to determine targets. They also conference call Anthesis' North America CSR Lead monthly and meet quarterly with our Chief Sustainability Officer who represents the program at global board level. Further global collaboration is planned for 2018.

To learn more, please get in touch by emailing: AnthesisCSR@anthesisgroup.com.

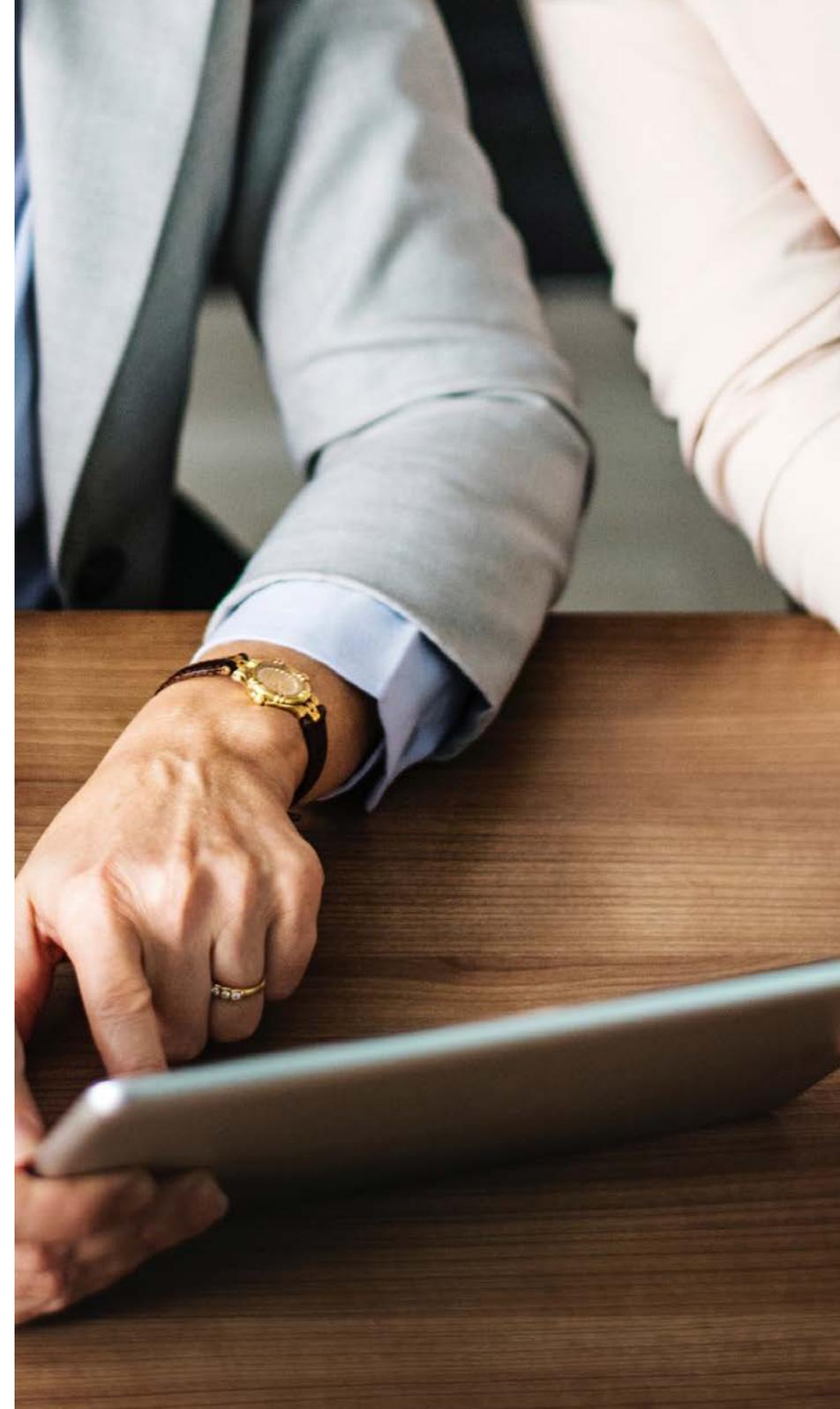
Key stakeholders

This report is prepared for our stakeholders: our investors; employees; business partners and clients; contractors and suppliers, as well as for the wider communities in which we operate and which our business operations impact.

Defining our material topics

Our material topics are defined in a number of ways. Feedback from colleagues gained from our 2017 all colleague survey, and from other colleague and management feedback channels including engagement initiatives (such as a CSR graffiti board at our Employee conference in December 2017) are important factors. We also receive input from our sustainability champs, senior team, CEO and Chief Sustainability Officer.

Our EMS also provides a procedure to determine environmental aspects and impacts in terms of legislation, environmental severity, likelihood and existing controls, which guide the CSR team's priorities in terms of objective and target setting annually.





Our impact and progress

The direct impact of our UK organizational activity in 2017 is covered in the pages that follow and, where initiatives are global or include other regions, this is indicated. For each of the four focus areas of the UNGC, we present a summary of how we are directly implementing the principles through our day-to-day operations at Anthesis, and the impact of our work with clients.

Our work with clients has a bearing on all 10 UNGC principles. We further extend that positive impact by producing and sharing thought leadership materials.

Summary of progress against themes

Back to basics

We put our data gathering methodology for business travel, commuting, office consumption, energy use and waste to the test and published our first carbon footprint relating to our UK operations in 2016-17. We maintained ISO14001 across UK offices and appointed a new SHEQ Lead with overall responsibility for implementation and expansion of our EMS.

Going global

We teamed up with our North America colleagues to design and deliver two global engagement campaigns and collaborated on colleague training programs across both regions. We also include Anthesis North America's achievements in this report for the first time.

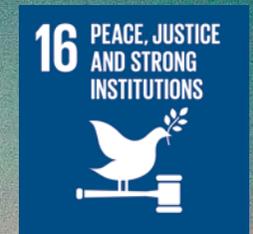
Exciting stuff

Our client work within the sustainability field is pretty exciting (we include a client case study for each of the four reporting areas in this report). Our colleagues are experts who drive positive impact through our client and partnership work. In 2017, we embarked on a consultation program to listen to all our colleagues about what matters to them both globally and locally, big and small.

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

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 sustainability policy, championed by our CEO, Stuart McLachlan. We strive to uphold human rights in accordance with the 1948 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 guidance for business to integrate human rights.

“We recognize the value of cultural diversity, and are invested in understanding and celebrating our differences across our communities”

The nature of Anthesis' services and products is grounded in environmental, business and social responsibility, and our sustainability policy summarizes the principles at the core of our approach. Our public interest disclosure (whistleblowing) and anti-bribery and corruption policies also guide our practice in relation to human rights.

We encourage a culture of open discussion and, over the course of 2017, are pleased to report a growing number of platforms to support communication and feedback within our organization (see progress section).

As a business that has grown in part by strategic acquisition and that operates across nine global locations, we recognize the value of cultural diversity, and are invested in understanding and celebrating the differences across our communities, prizing unity over uniformity.

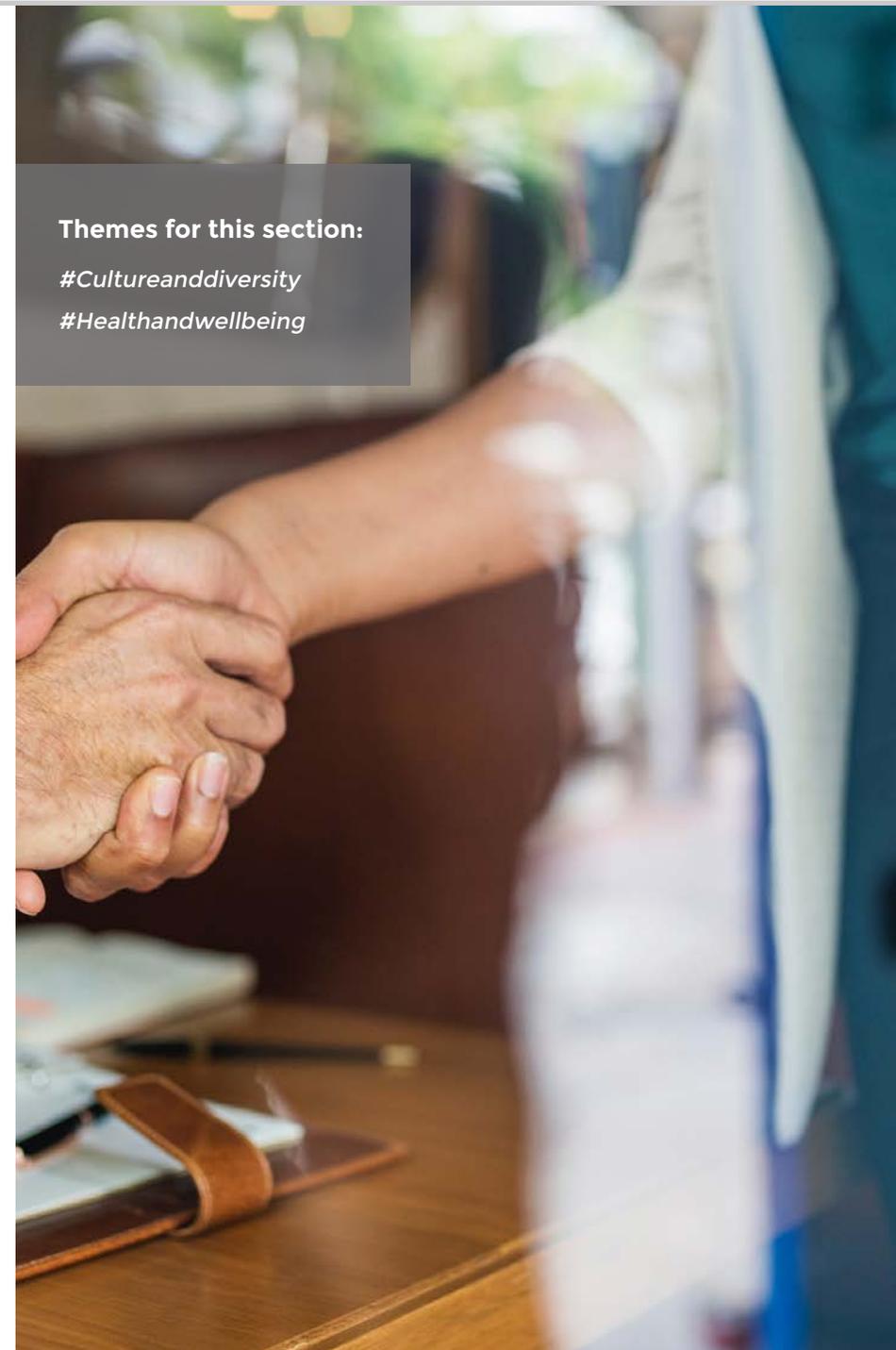
Following the integration of our new Energy team and their work with the Energy Company Obligation (ECO), we are supporting UK householders living in fuel poverty by providing energy efficiency measures.

Our HR function, reporting to senior management, is responsible for updating employee policies, reviewing progress towards implementing them, and monitoring any breaches which may occur. In regards to our value chain, our SHEQ Lead, in collaboration with other business functions, is responsible for introducing initiatives to better understand and influence the human rights processes of both our suppliers and clients.

Themes for this section:

#Cultureanddiversity

#Healthandwellbeing



All colleague survey

We conducted our second global all colleague survey which highlighted particular strengths for Anthesis as an employer in the areas of Vision and Purpose, Collaboration and Teamwork, Creativity and Employer Flexibility. There was a significant [27%] improvement in colleague satisfaction with the learning and development opportunities on offer to them with the launch of our Emergen Program, and a 10% greater awareness of our CSR program. 90% of colleagues reported feeling 'proud and excited' to work for Anthesis.

The survey responses also highlighted areas for action. Our response rate was down to 57% from 76%. We will be working hard to rectify this, and followed up with face to face discussions conducted by our L&D Manager. The results were shared at our UK conference in 2017.

2017 Progress



2018 Goals

We commit to undertake our third all colleague survey and aim to improve the overall response rate. Responding to colleagues' feedback we want to further improve global connectivity.

We commit to undertaking a third round of internal culture interviews across different teams and regions.



Human rights awareness

Our awareness training for employees regarding human rights and sustainable procurement is on hold, pending final publication of our sustainable procurement policy.

Our human rights impact assessment was conducted during 2017 and will be completed in 2018. The commitment will be delivered and overseen by our SHEQ Lead.



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

We commit to complete our human rights impact assessment.



Connecting colleagues

We embarked upon a long term program to promote greater connectivity across regions and service areas. Our knowledge sharing platform, Sharepoint, was launched across the global business during 2017/18 and is supported by our new role of IT Operations Manager, Kevin Maitland, and our new Connectivity Director, Dee Moloney.

At the end of our reporting year, the shared platform is being used by all regions where project collaboration takes place. All UK colleagues have received training in the use of this platform. The project will need further development and embedding and is ongoing, and is related to global implementation of our CRM and project management tool Kimble.

2017 Progress



2018 Goals

We commit to further improvements on the use and usability of our global Sharepoint platform by embarking on a region-by-region global engagement program, ensuring latest updates are implemented and sustaining a program of continuing support for UK users.

We commit to producing a monthly global newsletter for all colleagues.

We commit to extend our quarterly colleague award scheme - the Extra Mile Award - beyond UK operations.

We commit to introduce a 'Global Town Hall' conference call to share news and to celebrate great collaboration and client work with all Anthesis colleagues.

We commit to bringing our business support platform, Kimble, to other global regions.

Equality and diversity

We launched our D&I program at the end of 2017, with listening briefs conducted in the UK and North America, where small groups of colleagues were invited to discuss D&I within Anthesis. Our program launch followed on from these listening briefs.

We unified equal opportunities statements on open roles advertised on our website globally in line with best practice in the UK.



We commit to create a global steering committee with overall responsibility for our D&I program.

We commit to delivering unconscious bias training to our global colleagues to initiate our D&I program, teams and regions.



Additional progress

PULSE

To promote greater global collaboration, and awareness of our multiple service offerings, our deep subject matter expertise and the initiatives taking place internally, we introduced half hour 'Pulse' webinars, organized and presented by colleagues, for colleagues.

STEP program

This program was introduced for early career professionals to support their personal and professional development through five key areas: attendance at networking events; training in business development skills; shadowing and mentorship programs and involvement in our 'Sym' Groups.

Employee assistance program

We launched a free, confidential program offering a helpline supported by trained counsellors and a web platform for advice for all UK colleagues and their immediate families.

HR digest

We introduced a regular monthly information email to keep colleagues informed of their benefits, changes to employment law, open roles and starters and leavers.

Fuel poverty reduction

Through the delivery of over 5,000 energy efficiency measures for our clients we have helped to reduce the cost of heating for households that are in fuel poverty. These measures ensure households become warmer, cheaper to heat and provides additional health benefits for those that are more susceptible to issues that can arise from cold weather.





Pictured

Tai chi at the group's London office; Principal Consultant Pete Scholes' cheeky cat



Performance highlight

Wellbeing and mental health awareness week

To mark World Mental Health Day on 10th October 2017, Anthesis signed the World Federation for Mental Health (WFMH) Mentally Healthy Workplace Pledge. In the UK we delivered our first Wellbeing Week from 9th - 13th October, where we partnered with MIND, the mental health charity, to deliver training for our line managers on managing mental health at work, and delivered our first global webinar on the topic.

“Thanks to the Internal team who made our Wellbeing Week a resounding success. I appreciate the effort made to make sure Anthesis is an open and honest environment.”

- Sophie Taylor, Global Digital Marketing Executive

The week was structured around the ‘Five Ways To Wellbeing’ with each day picking up one of the five ways (Give, Connect, Keep Learning, Be Active, Take Notice) including mindfulness practices, poetry writing and Tai chi. We also asked colleagues globally to share pictures of things that support or improve their wellbeing. Colleagues shared pictures of their pets (like Pete’s cat!), their children and their favorite outdoor space.

Spotlight on...

Developing standards for responsible sourcing

Ethical Stone Register

With increasing interest in the issues of responsible sourcing of building products, Anthesis was engaged by Stone Federation to develop a sector specific responsible sourcing standard for members, and to include consideration of rights of workers and local communities, alongside environmental impact and procurement issues. We were able to use the expertise of technical specialists, including Associate Director Katie Livesey's experience in the development of BES6001.

The work involved extensive consultation with members and customers, drafting of the standard, and piloting with stakeholders to ensure appropriateness and effectiveness. As a result the Ethical Stone Register (ESR) is now established as the key standard for sourcing of environmentally and socially responsible stone. We have partnered with Stone Federation to continue in our responsibility as an external auditor and verifier.

Jane Buxey of Stone Federation gave us this industry insight:

“We commissioned the production of the Ethical Stone Register in order to demonstrate to the world our commitment and belief in the ethical and responsible sourcing of natural stone.”

“We believe that we have a responsibility to the client base, the industry and our members to try to make a difference on the issue of responsible and ethical sourcing practices and we aim to get all our members started on the journey with room to progress and gain extra recognition for their efforts and investment. Our industry has this requirement and we are providing it.”

Read more:

UK Modern Slavery Act 2015 - What Do the Recent Updates Mean for Business?



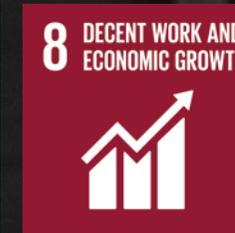
Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;

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

Principle 5: the effective abolition of child labor; and

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

Section 2: Labor



Our commitment

Anthesis upholds freedom of association and the right to collective bargaining for all its employees. 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, both locally and globally. Anthesis is founded on the basis of trust and empowerment for all our employees.

“Empowerment and freedom of association are key drivers of our business”

We believe every colleague needs to have the opportunity to understand our business performance in order to participate fully. Business performance updates are shared and discussed openly on a monthly basis at our all colleague meetings led by our CEO.

Anthesis strives for exemplary business practice and is supported by a Human Resources consultancy to advise on employment law and best practice. A new appraisal and feedback system was implemented in 2017.

Our employment contracts make provision for annual salary reviews, and our Employee Handbook outlines the process for raising grievances.

We offer all employees the opportunity to take part in health and wellbeing initiatives, including:

- A flexible working policy.
- A tax-free childcare voucher scheme.
- A tax-free cycle to work scheme.
- Free flu vaccines.
- Free eye tests.
- Two volunteering days annually.
- A tax-free payroll giving system to allow colleagues to make tax savings on charitable donations.

We also added two more health and wellbeing initiatives in 2017:

- Employee assistance program.
- Life insurance.

Themes for this section:

- #Communication*
- #Voiceandfeedback*
- #Rewardandrecognition*



Our commitment

We call our operating model 'Jungle Gym'. It is designed to support technical and managerial career pathways across our different disciplines and service areas. All colleagues have the opportunity to participate in its development.

“We are committed to promoting gender equality, and in 2017 we were able to formally offer colleagues a voice on diversity”

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 2017, we were able to formally offer colleagues a voice on D&I.

As a prelude to the implementation of a D&I program, a listening brief was held in the UK by Global Advisory Board member, Nicky Chambers, and by Partner Emma Armstrong in North America, to engage with colleagues in small groups on this subject.

The wider D&I program was introduced in December 2017 at our all colleague conference with a presentation on unconscious bias. The full program is expected to be launched officially in 2018, with Anthesis pledging to:

Keep our policies up to date in line with best practice. Making sure that our performance appraisal and career progression processes minimize bias through clarity.

Continue promoting our culture of celebrating diversity including unconscious bias training.

Report our diversity performance alongside our sustainability performance.

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 is outlined in our sustainability policy. Our anti-bribery and corruption policy further supports our commitment to ethical trading principles.

In the reporting year we had zero breaches of our H&S policy or processes and there were no work-related injuries.



2017 Progress

Elimination of child labor

We undertook a policy gap analysis with regards to forced and child labor which revealed gaps in our policy statements, apart from in our UNGC report, which states our commitment to elimination of forced and child labor.

Our risk assessment for forced and child labor within our business operations is under way, with further action planned in the 2018 reporting year.



2018 Goals

We commit to developing an independent statement with regards to forced and child labor.

We commit to completion of our risk assessment for forced and child labor.



Gender equality

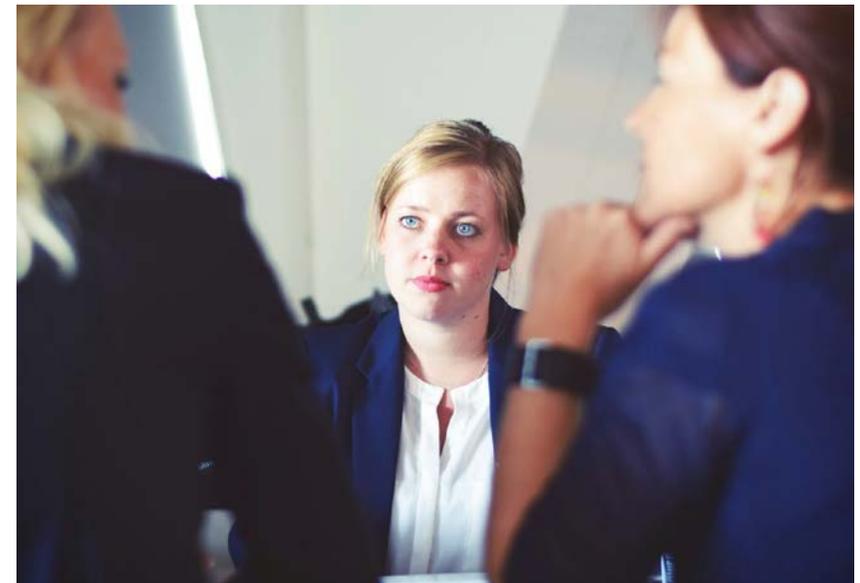
We invited colleagues in the UK and North America to participate in small, listening groups on the subject of gender equality at Anthesis.

We embarked upon a review on equal pay, opportunities and treatment. We introduced our global D&I program at our All Colleague Conference in December 2017.



We commit to voluntarily conducting and publishing our gender pay gap reports.

We commit to reviewing recruitment processes with the intention of promoting and monitoring diversity at the point of entry to Anthesis.



Employee support

We undertook a review of our employee appraisal system in collaboration with our North America colleagues resulting in the introduction a new appraisal and feedback process to better support colleague development.

The new process utilizes a cloud-based software package, Primalogik, where appraisals, progress against goals and feedback can all be recorded. As part of this we implemented a balanced scorecard approach where employees set goals in four areas: Great Place to Work, Business & Financial, Excellence in Role, and Personal Development. Conversations around progress against goals and career development are held quarterly to provide more focused and agile discussions.

2017 Progress



2018 Goals

We commit to undertaking a UK Employee Handbook review in the light of current policies, new data protection laws and changes to our aspirations and the best practice we strive for.

We commit to connect with North America colleagues to reflect their developing mentoring program in the UK.



The Emergen Program

Our Learning and Development program, The Emergen Program, entered its second year, delivering modules on Mindfulness, Coaching, Relational Intelligence, Storytelling, Project Management, Mental Health, and Essential Conversations, to name a few.

We collaborated with North America to deliver Courageous Conversations training for all North America colleagues - 100% of those colleagues who gave feedback felt that they were actively involved in the sessions, the content was relevant to them and that they would use what they had learnt.



We commit to a continued program of learning and development for all UK colleagues through our Emergen Program and to further collaboration to offer more training to all global colleagues in 2018.



Health and Safety

2017 Progress

Our Health and Safety policy and practices continued to be embedded across all parts of the UK business. Our SHEQ Lead continues to consolidate practice, ensuring up to date Health and Safety, Fire Warden and First Aid training for H&S representatives in each office location and overseeing H&S practices for client work.



2018 Goals

We commit to reviewing existing policies and creating new policies to ensure the safety of our staff to include driving at work and home working policies.



Career progression

Development of our career progression map 'Jungle Gym' career map was initiated in 2017 and UK colleague consultations are underway to ensure its suitability for all roles across the business.



We commit to further develop and, if possible, launch our 'Jungle Gym' career map.



Colleague engagement

We listened to and engaged with our colleagues on our CSR program through our global all colleague survey, the publication of our first UNGC report and two global campaigns - one for World Environment Day which had the theme of connecting people with nature and one for Mental Health Awareness week.

2017 Progress

Our all colleague survey reported a 10% increase in awareness of our CSR activities. 87% of our colleagues feel the organization is committed to improving sustainability internally, and 95% of us feel our organization has a positive impact on sustainability through the work it carries out.



2018 Goals

We commit to further engagement with colleagues on our CSR program through local and global campaigns, through our global 'Pulse' sessions and through our all colleague survey 2018.



Health and wellbeing

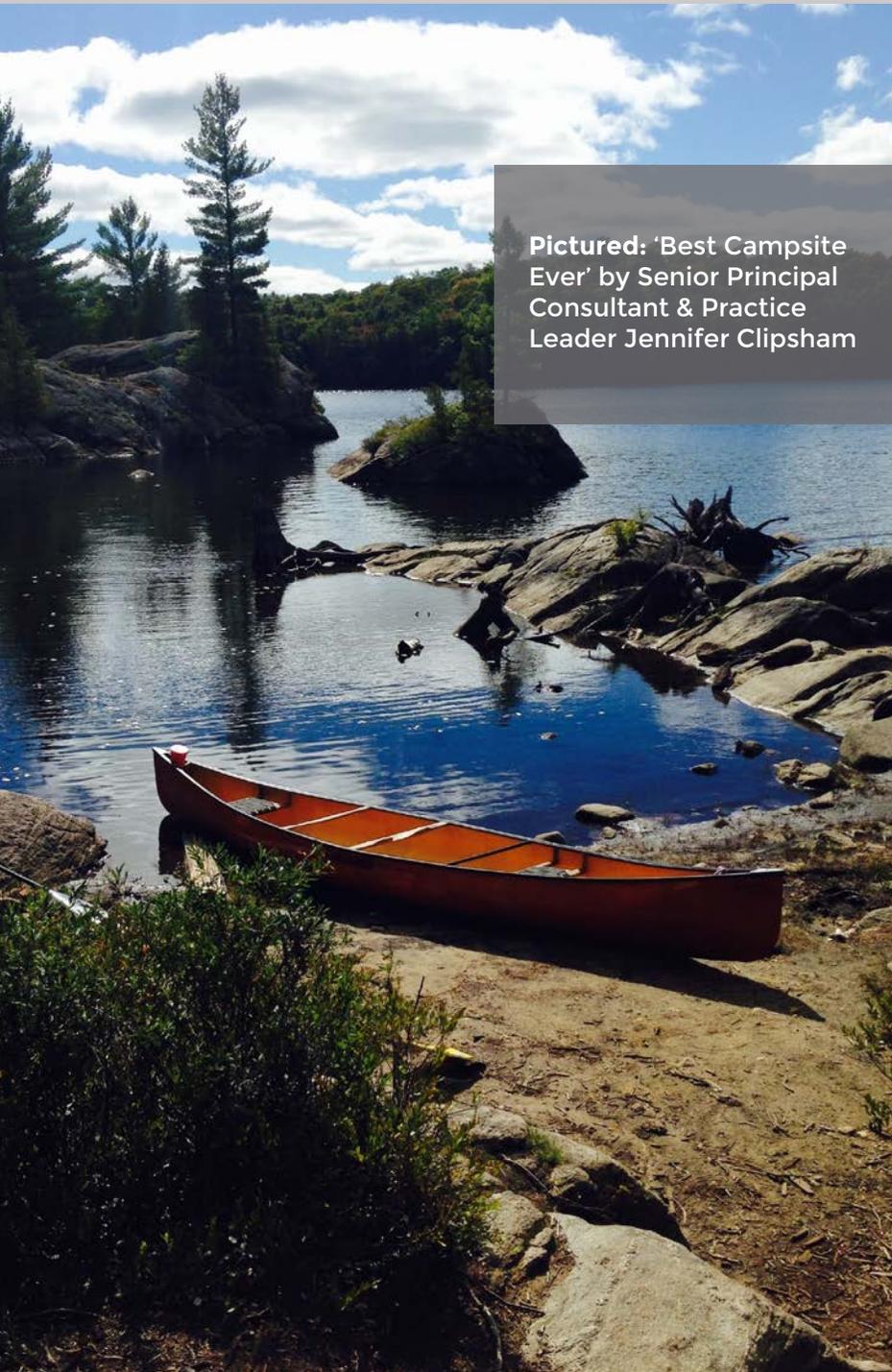
We promoted our health and wellbeing opportunities, particularly annual volunteering days. To increase uptake we ran local volunteering initiatives and raised the profile of this colleague benefit through internal communications.

In 2017 13 employees used a total of 69 hours (9.2 days) volunteering - an increase of 114% from 2016.



We commit to continued promotion of health and wellbeing opportunities and to supporting our colleagues to use their volunteering days.





Pictured: 'Best Campsite Ever' by Senior Principal Consultant & Practice Leader Jennifer Clipsham

Performance highlight

World Environment Day 2017

We ran our first global colleague engagement program to shine our own spotlight on the environment by creating a photo gallery to raise money for a worthy environmental cause and connect with colleagues across the globe.

2017's World Environment Day (WED) theme was 'Connecting People to Nature' - getting people out and about to appreciate the natural world and the need to protect it. Our collaborative photo gallery gave us the opportunity to do just this. Colleagues from around the world shared pictures of their favorite places, people and wildlife in a bid to nominate and raise money for a charitable organization, and be crowned Anthesis WED Photographer of the Year 2017! This year, Canada was the host country for World Environment Day activities, and our Canadian colleagues were keen to take part:

“This employee engagement campaign was a fabulous opportunity for all of us to connect with one another on the wild spaces and beautiful places that inspire us to do the work we do every day here at Anthesis. We share a common ethos around wilderness conservation as well as a passion for friendly competition from time to time...so the challenge was on!”

- Jennifer Clipsham, Senior Principal Consultant & Practice Leader, Canada

All in all, 149 photos amounted to a \$149 Canadian dollar donation to the colleague-nominated, island-focused charity 'Seacology'. This organization works to protect island habitats and assist local communities by offering villages a unique deal: if they agree to create a forest or marine reserve, Seacology provide funds for village needs, such as a school or health clinic.

Spotlight on...

Employee engagement: supporting our clients

Anthesis North America supported a client in integrating sustainability into the company's employee engagement efforts. We developed an employee engagement campaign to guide their efforts over three years. The campaign covers a range of environmental topics of importance for the company to compliment the strong engagement campaign they already run on wellbeing topics. The project was an integral element of the client's sustainability strategy, which identified employee engagement as a high priority to embed sustainability throughout the workplace culture and further promote their sustainability goals.

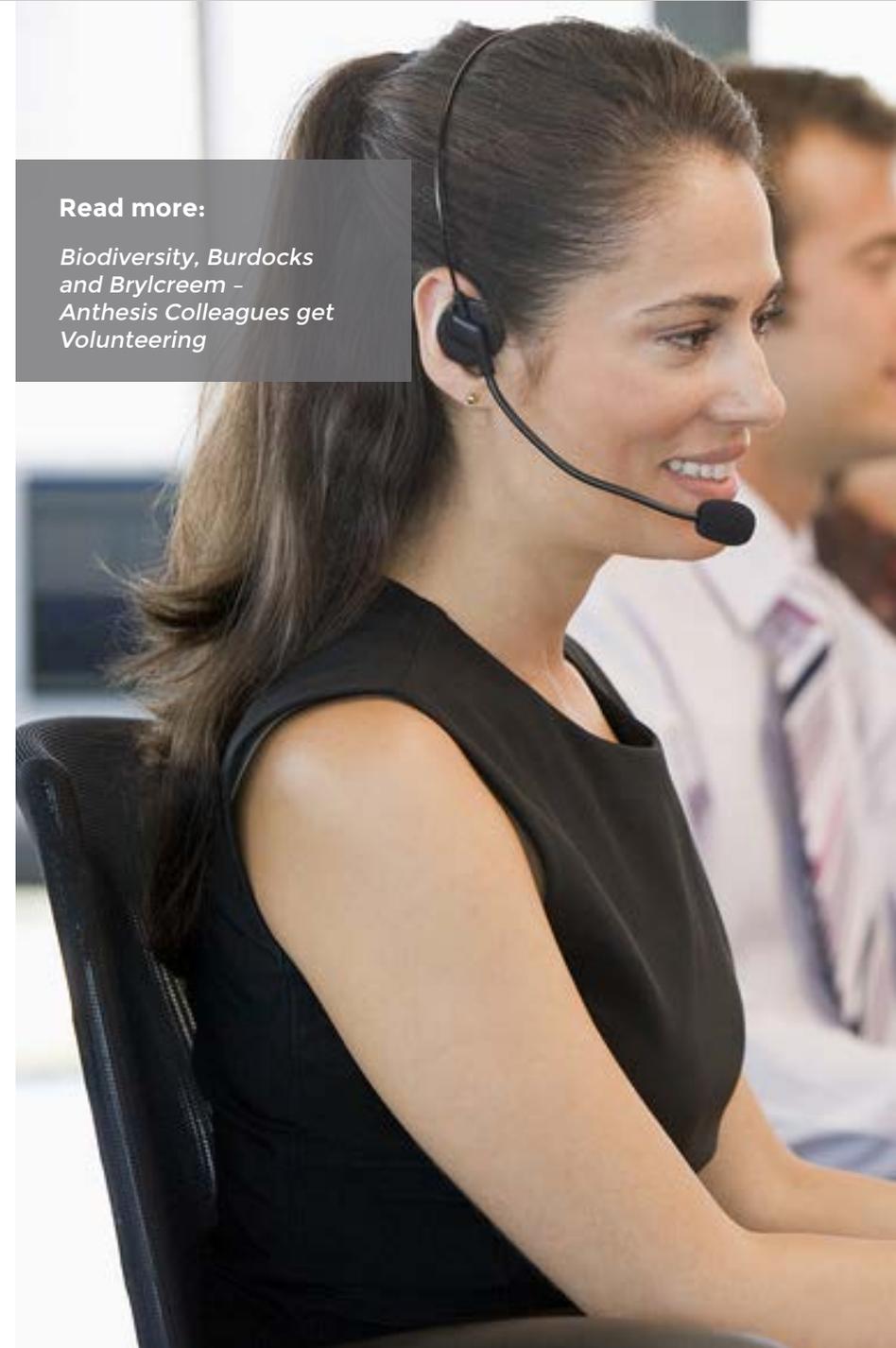
Anthesis put together a menu of activities, supporting resources, special events to align with, potential metrics to measure impact, and fun facts for each environmental topic that the client could select from, and deploy, including:

1. GHG Emissions and Energy Reduction
2. Waste Avoidance and Minimization
3. Water Reduction
4. Paper Reduction
5. Minimizing Environmental Impacts of IT
6. Volunteer Activities and Community Involvement

All of this was mapped out in a calendar, providing guidance for how the client could spread out implementation of various options across a number of years. This was driven by the belief that tying activities to corporate goals will help associates develop the connection between their personal actions and the company's sustainability culture.

Read more:

Biodiversity, Burdocks and Brylcreem - Anthesis Colleagues get Volunteering

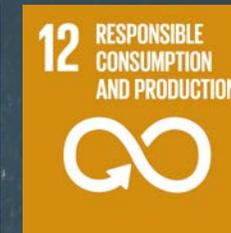


Principle 7: Businesses should support a precautionary approach to environmental challenges;

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

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

Section 3: Environment



Themes for this section:

[#Compliance](#)

[#Metricsandmeasurements](#)

[#People](#)

Our commitment

At Anthesis we are committed to protecting the environment. Our work supports greater environmental responsibility by 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 growing program of thought leadership activities.

For our internal operational footprint we have been applying our expertise, tools and methodology with regard to data gathering and dissemination for our baseline (2016) and 2017 reports which will be ready for publication early in the 2018 reporting year. Since the services we deliver are primarily advisory and software-related, our main operational impacts are in business travel, commuting, office utilities and waste. 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 appropriate 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 carefully monitor and use resources sparingly”

We have an EMS certified to ISO14001:2004 standard by Intertek. This system allows us to proactively identify the environmental impacts 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. Our SHEQ Lead has responsibility for maintaining the EMS (and organizing associated training), and undertakes both internal and external audits. In 2018 we will be migrating to the new 2015 standard across our UK operations.

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 2018.

Sustainability commitments

Our 2017 review of our overall sustainability strategy to maximize impact, governance and reach resulted in the creation of two new roles - a dedicated SHEQ Lead to direct our EMS and a Chief Sustainability Officer with responsibility for sustainability. This will ensure robustness and rigor in our processes and a strategic global direction for our overall program.

Our review of sustainability reporting options has been put on hold for the current reporting year given our commitment to the UNGC but remains a target for future activities.

2017 Progress



2018 Goals

- We commit to reviewing our global sustainability policy.
- We commit to become a diligent member of the BITC circular office campaign.
- We commit to further colleague engagement on environmental issues including a World Environment Day global campaign on plastics.



Environmental Management

Our EMS scope was expanded to include social responsibility and biodiversity in 2017 and we maintained ISO14001:2015 standard across our UK operations.



- We commit to supporting our colleagues and suppliers to make informed procurement choices in line our sustainable procurement policy.
- We commit to completing our business human rights impact assessment.
- We commit to expanding the scope of EMS to include our new Energy team.



Emissions reduction and reporting

We have complied our baseline greenhouse gas reports which relate to our 2016 baseline and our 2017 reporting year. We have consolidated our data gathering methodology to ensure as full a dataset as possible and have quality assessed for both years. Our GHG reports were published in early 2018 and can be viewed here.

2017 Progress

Smart energy meters were fitted in UK offices where we were permitted to do so to give us greater visibility on energy use. Our office champs continue to gather data monthly and energy meter readings are used as a check when needed.



2018 Goals

We commit to internal and external publication of our 2016 and 2017 footprint reports.

We commit to supporting our North America colleagues to implement a commuting survey for all colleagues and to initiate a business travel recording and reporting system.

We commit to preparation of 2018 footprint reports.

We commit to producing clear instructions for all colleagues on recording business travel to ensure improving robustness of data for 2018 footprint reports.

We commit to delivering further training for office champs for data gathering and to further streamline our approach across UK operations.

We commit to making reductions targets following on from publication of our baseline 2016 and 2017 footprint reports.

Encouraging volunteering

We supported our colleagues to make use of their volunteering days and as part of a campaign related to World Environment Day to take part in local biodiversity initiatives.

For example, in our Oxford office all colleagues were given the opportunity to spend half a day volunteering with Friends of Aston's Eyot, a charity dedicated to protecting and managing the local wildlife area. We saw a 114% increase in hours spent volunteering by UK colleagues.



We commit to continued support for our colleagues to take up volunteering days.



Sustainable procurement

Our sustainable procurement policy is drafted pending final approval. The policy aims to minimize the environmental and social impact of goods and services we purchase by:

Incorporating sustainability into procurement decisions, including considering whole-life costs and impacts of products and services.

Evaluating our supply chain and key suppliers for sustainability risks and opportunities.

Ensuring sustainable procurement is owned and championed at senior management level.

Ensuring all colleagues and key suppliers understand the policy and comply with its requirements.

2017 Progress

Publication is anticipated for Q2 2018. We continue to work with organizations such as UNOPS, and Columbia Threadneedle Investments to support them with delivering their sustainable procurement policies.



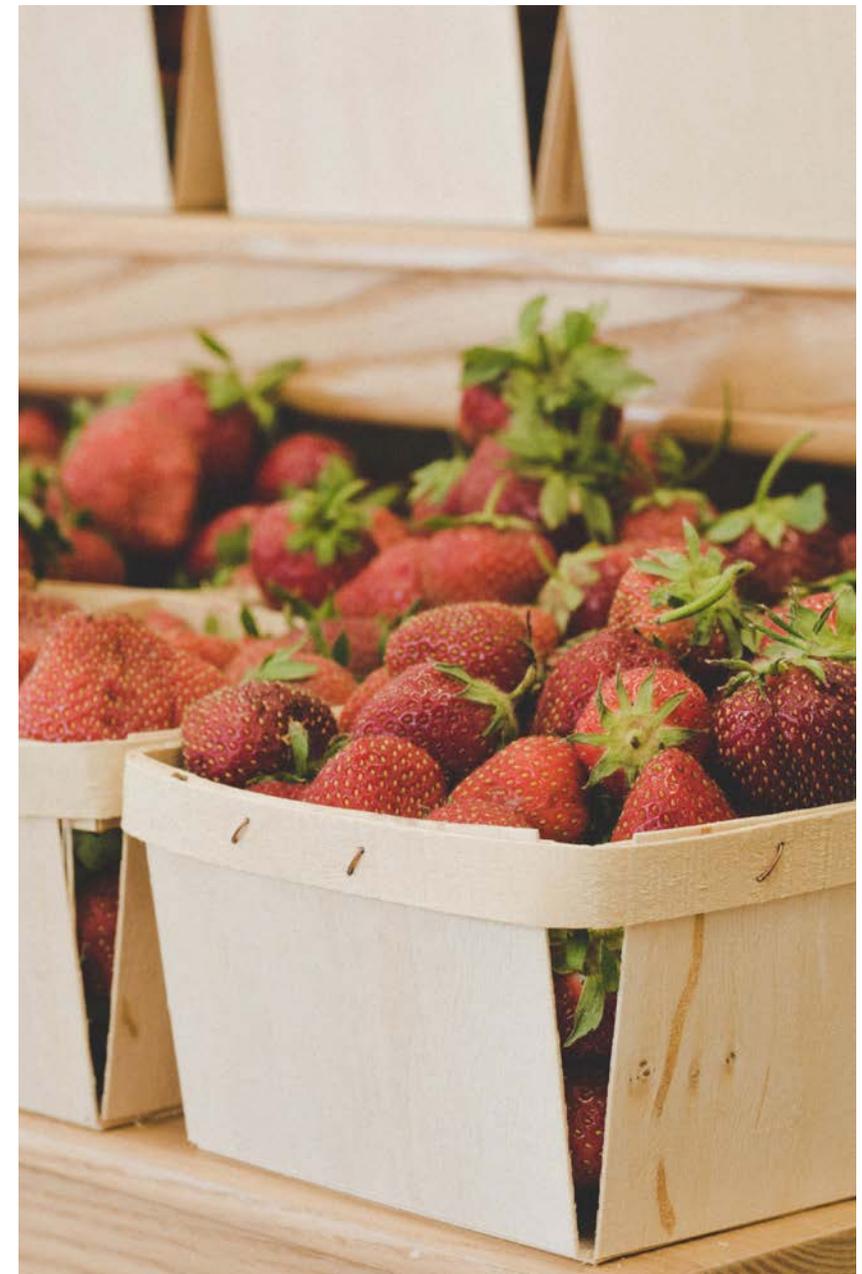
2018 Goals

We commit to publishing our sustainable procurement policy.

We commit to delivering an awareness program for our procurers with regards to our sustainable procurement policy.

We commit to supporting our suppliers to make sustainable procurement choices.

We commit to conducting an environmental assessment and LCA on all products and services purchased.



Performance highlight

Getting to baseline

We set our baseline GHG emissions scope to include business travel, commuting, office energy use, office waste, and office water use. Our primary intentions are to set a robust, scalable system for monitoring and measuring GHG emissions starting with UK operations. We will use the findings to engage colleagues, support reduction campaigns and initiatives and to set a baseline for monitoring progress.

Our data gathering methodology for business travel has proved to be effective and scalable. All individuals load their travel expenses onto our cloud based business support tool, identifying start and end locations and mode of travel. These data are then exported from the platform where an excel macro looks up mileage. The results are loaded to our partner tool Footpinter™ to calculate emissions.

“Our primary intentions are to set a robust, scalable system for monitoring and measuring GHG emissions.”

For commuting data, we sent out an annual survey to all colleagues about their commuting patterns and for utilities, our office champs check electricity and gas meters on a monthly basis, recording the results on a spreadsheet. Where possible we have had smart meters fitted in our offices. However this has yet to facilitate data gathering much owing to the difficulty in getting a new meter fitted when an office move takes place and to inconsistent and hard to understand online data provided by the meters. These two challenges have remained significant barriers to using the meters in any useful way thus far.

For our waste measurements our office champs run one waste measurement week every quarter. These snapshot results are scaled to provide an annual picture. For paper use we refer to purchasing records. All data is then verified by our global analytics team, loaded onto Footpinter™ and finally passed on to our data visualization team for final reports. With such a busy team our main challenges have been creating a robust yet resource light methodology, being able to process and verify data in a timely manner and plugging gaps in resources or data. However we have prepared reports and set reductions targets for 2018 and beyond.



Read more:

*Helping Your Business
Take Action on Single-Use
Plastics: FAQ Guide*

Spotlight on...

Deposit return schemes

The call to introduce a Deposit Return Scheme (DRS) in the UK has steadily increased. In the summer of 2017 the Scottish Government announced that it would introduce a DRS, and in October of the same year the Environment Secretary announced a call for responses on how a scheme could be designed in England. During the summer of 2017 Anthesis worked with a client to support them to develop their position on DRS, which enabled them to develop an informed response to this call for the government.

“The team built a model that enabled the costs and benefits of five different scenarios to be determined based on cost, revenue and performance assumption.”

Informed by international research into DRS the Anthesis team developed the preferred structural components of a UK DRS. Using this structure, the team built a Cost Benefit Analysis (CBA) model that enabled the costs and benefits of five different DRS scenarios to be determined based on cost, revenue and performance assumption. The assumptions were developed alongside the client and the material impact of key assumptions on the overall CBA results tested through a sensitivity analysis. The client was provided with a report outlining the findings from the international research and CBA modelling. Recommendations on possible position statements that the client could make with regards to a UK DRS were also provided.

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

Section 4: Anti-corruption



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 anti-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 annually, 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 and have never been involved in any legal cases, or other instances, of bribery or 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.

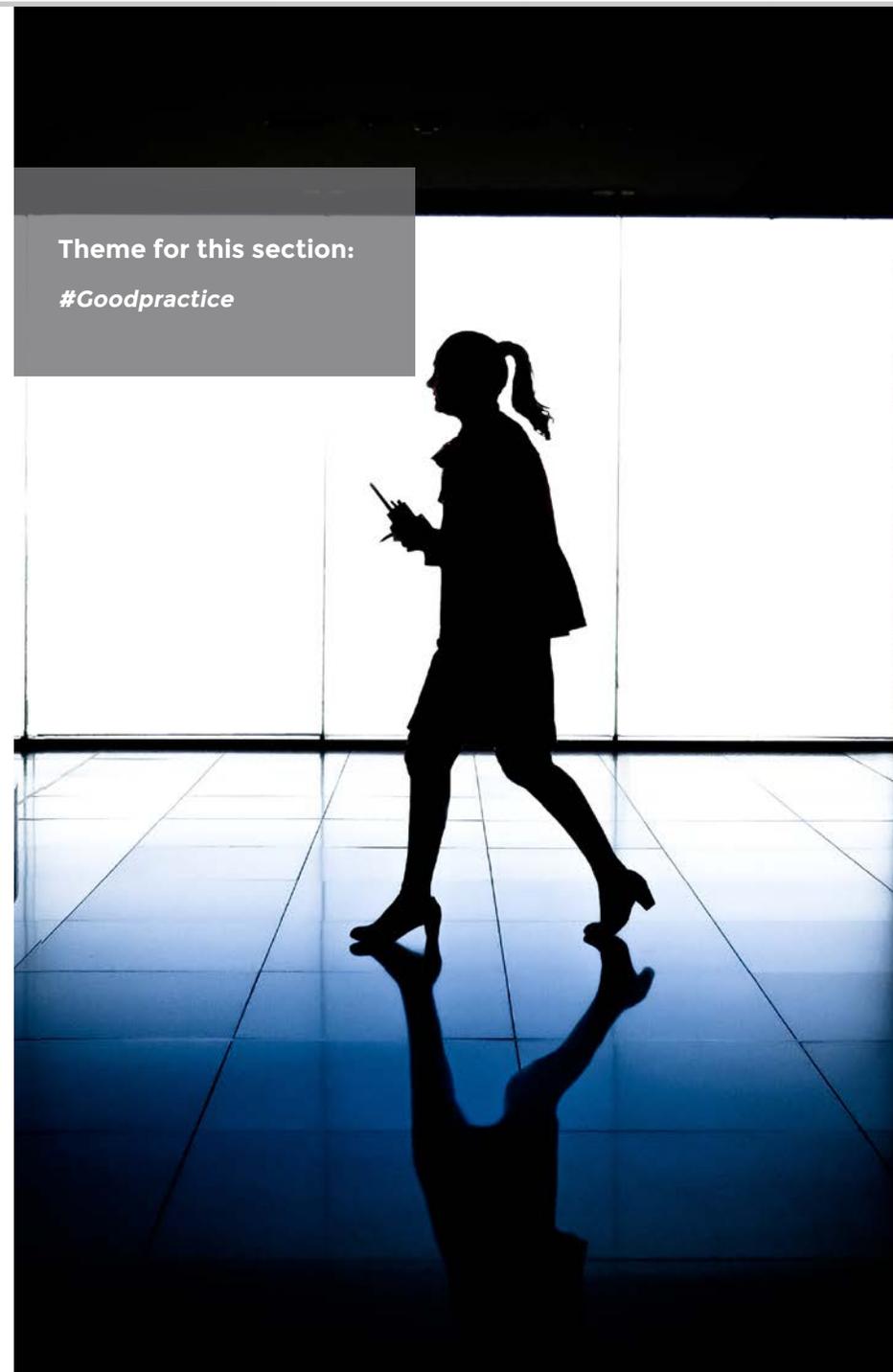
“We employ a transparent approach to financial performance across the business with regular monthly updates supplied by the CEO”

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.

Theme for this section:

#Goodpractice



2017 Progress

Awareness training

Our ongoing awareness program regarding anti-bribery and anti-corruption has not been delivered in a formal way during the reporting year owing to prioritization of other urgent training modules for our employees such as line management training and project management training.

However, we recognize the importance of anti-bribery and corruption training for all colleagues and it has been scheduled as part of our 2018 training program.



2018 Goals

We commit to delivering an ongoing awareness training for all colleagues on the details of our anti-bribery and corruption policy.



Risk assessments

Our anti-bribery and corruption risk assessment was partially completed in the current reporting year but interrupted owing to CSR team changes and resulting resourcing constraints. This is due to be completed in the 2018.



We commit to completing our anti-bribery and corruption risk assessment for relevant colleagues, and to reviewing this annually.



2017 Progress

Systems implementation

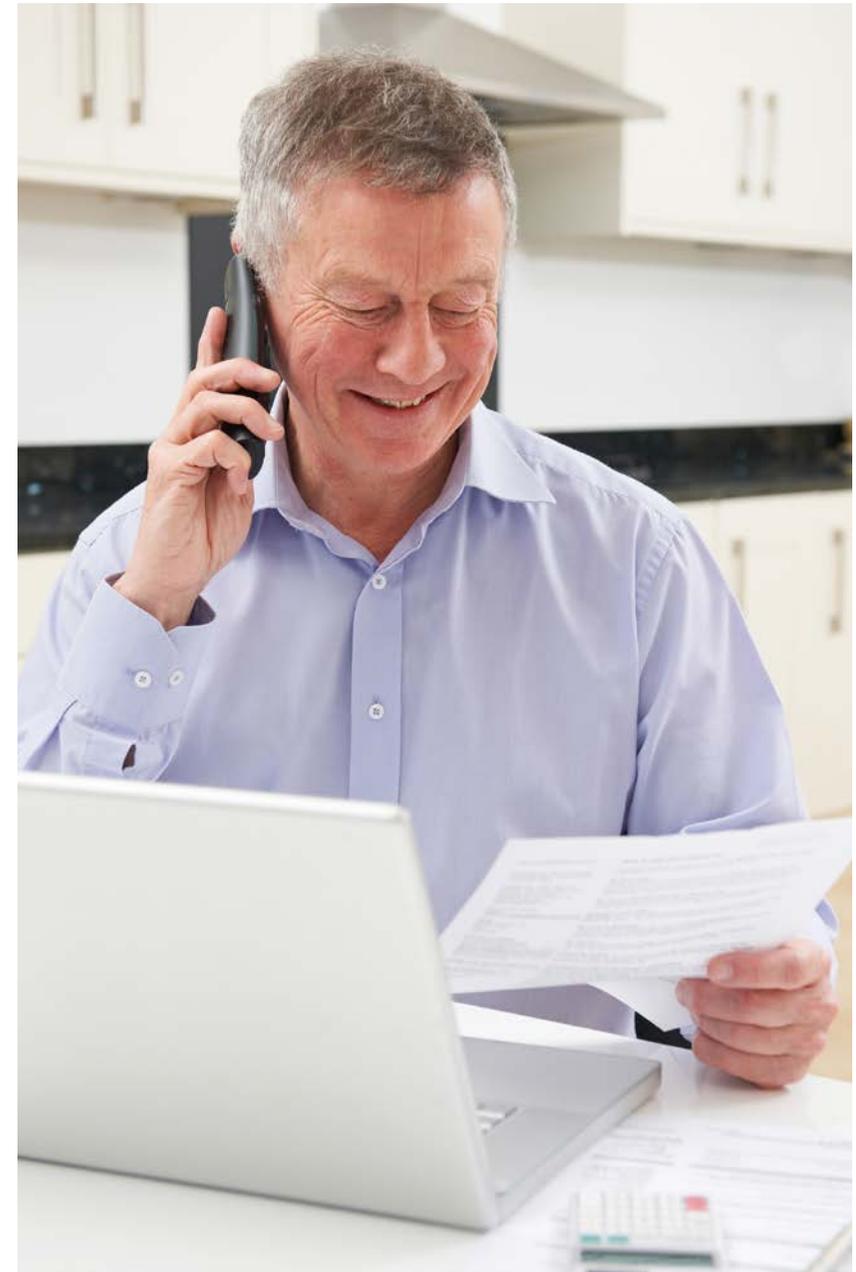
The implementation of a system for reviewing the effectiveness of our anti-bribery and corruption policy has not been undertaken in 2017, owing to insufficient resources but it remains in our target list for 2018.

Our anti-bribery and corruption policy forms part of all employment contracts and also features in our contractual employee handbook which is issued to all colleagues.



2018 Goals

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





Additional progress

Compliance

We had no breaches of our anti-bribery and corruption policy, and no whistleblowing procedures were raised during the 2017 reporting year.

Legal

We have not been involved in any legal cases involving bribery and corruption.

Transactional services

We introduced a new global Transaction and Corporate service offering to our suite of sustainability solutions, headed up by Director Tim Clare. This new service addresses the need to incorporate Environmental, Social, Governance (ESG) issues into transactional due diligence.

Early identification and screening of supply chains, energy management (e.g. buying better, using less and self-generating) and waste (e.g. converting waste to an asset) is transforming the scope of Environmental Due Diligence (EDD) assessments. Increasingly now, all parties involved in transactions recognize they should identify, model and quantify these risks as a core part of their investment analysis, alongside financial metrics.

Performance highlights

Maintaining good practice

Anthesis business operations are subject to an annual audit by external firm Moore Stephens. Our 2017 audit took place in March 2018.

Anthesis had no breaches identified and received a clean audit opinion, although the letter to management advised us to improve our consistency of project documentation. We will address this during the current year as the new finance director, Jason Urry, implements a review of processes and as systems upgrades take place.





Read more:

Realizing the Commercial Value of ESG

Spotlight on...

Anthesis Corporate and Transaction Services

Anthesis is an adviser to private equity houses and other financial institutions, seeking to ensure their ESG factors are appropriately managed. Anthesis helps these clients evaluate these issues with regard to their own operations, in the evaluation of potential investments (due diligence) and in their management of those investments during ownership. Bribery and corruption is a specific topic within the governance stream of ESG and is considered alongside related factors such as accounting standards, anti-competitive behavior, business ethics, compliance, lobbying and presence or otherwise of whistleblower schemes.

“Anthesis worked with the client and its investee company to evaluate the risks involved and the existing procedures in place”

During a recent assignment, Anthesis supported a private equity client who had invested in a specialist business producing papers for governmental documents. The business’ product types are a target for groups seeking to undertake fraudulent activities and its global marketplace includes clients in countries known from heightened bribery and corruption risks. Anthesis worked with the client and its investee company to evaluate the risks involved and the existing procedures in place, especially with regard to in-country third party sales agents, and then helped with the setting of its improvement goals in this space.

North America leads the way

Our UNGC report has included other regions besides the UK where global collaboration has taken place and in particular the collaboration between the UK and North America as a prelude to developing a truly global CSR taskforce. In this final section we would like to illustrate an employee initiative run exclusively by and for North America colleagues: the Happiness Challenge!

“Your brain at positive performs significantly better than it does at negative, neutral or stressed.”

Mental health at work and at home is something we are trying to increase awareness of across the team. In October 2017 we issued a friendly challenge to everyone in the North America team focused on positive thinking. The 21-Day Happiness Challenge encourages people to try five ways to be more positive: gratitude, positive experience, exercise, meditation/ mindfulness, and kindness.

To get started we challenged the team to do one of the five items, each day for five days, for five minutes each. If we can bring more positivity into this present moment, our brain experiences what Shawn Achor calls a “happiness advantage,” based on the finding that “your brain at positive performs significantly better than it does at negative, neutral or stressed.”

Everyone who successfully completed the Happiness Challenge (by doing one of the five items for five days in a row) received a mindfulness resource.

We plan to run additional mental health awareness campaigns in 2018 to keep this topic top of mind. Our first mentor initiative will be piloted in early 2018 with three sets of mentors and mentees to help develop our colleagues. We also intend to launch a monthly Extra Mile Award to recognize the amazing things our team members do that help make Anthesis North America a great place to work.



Our 2018 plan

Back to basics

Embedding of our new team structure; setting our first reductions targets against baseline GHG emissions for the UK; moving to the 2015 ISO14001 standard and integrating and aligning practices with the new Energy team of the UK business.

Going global

Expand our global CSR working group beyond North America; further collaboration on global initiatives and greater integration of other regions into the overall CSR program.

Exciting stuff

Launch of our global D&I steering group and program; expansion of Anthesis' client services and reach; further colleague engagement and steps towards a unified, global CSR 'make a difference' program for Anthesis.

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





Anthesis' services

 Advisory + communications

 Energy + resource efficiency

 Software + systems

 Product + supply chain

 Transaction + corporate services

Thought leadership

We are privileged to have 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 a powerful way to extend the positive impact of our work. Our thought leadership work includes:

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

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

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

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

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.

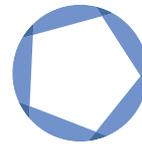
Our global
team founded
and host:

Low Carbon South West

Low Carbon South West is
a membership organization
promoting the growth of the
environmental sector and low
carbon industries in the South
and West of England.

Carbon Trust

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



PRODUCT
SUSTAINABILITY
ROUND TABLE

Social Stock Exchange

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

The Crowd

In 2017-2018 we sponsored The
Crowd Forum events, a monthly
dose of inspiration for people
working in large organizations
who are connecting their
businesses with society.

Business Leader's Forum

A consortium for professionals
in the clothing sector.

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.



PAPER CUP
Recovery & Recycling Group





Our accreditations and memberships



Our accreditation by Achilles supplier management service demonstrates our excellent health and safety, quality and environmental management standards.



Our accreditation by SafeContractor demonstrates our commitment to reducing risk and operating under recognized, high health and safety standards.



Accredited Contractor

We are a member of the Contractors Health and Safety Assessment Scheme having demonstrated compliance and management of current health and safety legislation.



Our ISO9001 accredited Quality Management System ensures we deliver projects to clients which address their needs and continually improve our communication methods.



Many of our staff are members of CIBSE, a global network of first class information, education and expertise in the field of building services engineering.



We are ISO14001:2004 accredited which means we conform to the BSI Standard regulations and maintain our target to reduce our carbon impacts by 4% year on year from our baseline.



The National Insulation Association is the leading trade association in the UK for insulation and is fully committed to maintaining and raising standards within the industry.

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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.