

2019

THINK IMPACT PROGRESS TOWARDS A NEW PROSPERITY ANNUAL SUSTAINABILITY REPORT



CONTENTS

ABOUT THIS REPORT 2	
STATEMENT FROM OUR MANAGING DIRECTOR	3
OUR PURPOSE 4	
ABOUT THINK IMPACT 4	
VISION 4	
PURPOSE 4	
OUR SUSTAINABILITY COMMITMENTS 5	
CREATING SOCIAL VALUE 10	
DELIVERING ON OUR PURPOSE AND VALUE	S 10
OUR APPROACH AND PERFORMANCE	10
OUR COMMITMENTS 15	
CREATING VALUE IN OUR BUSINESS 16	
DELIVERING ON OUR PURPOSE AND VALUE	S 16
OUR APPROACH AND PERFORMANCE	17
OUR COMMITMENTS 19	
CREATING VALUE FOR OUR PEOPLE 20	
DELIVERING ON OUR PURPOSE AND VALUE	S 20
OUR APPROACH AND PERFORMANCE	20
OUR COMMITMENTS 24	
CREATING VALUE FOR THE ENVIRONMENT 25	
DELIVERING ON OUR PURPOSE AND VALUE	S 25
OUR APPROACH AND PERFORMANCE	25
OUR COMMITMENTS 26	
CONTENT INDEX 29	





ABOUT THIS REPORT

This report serves as a review of Think Impact's performance and the impact we created over the 2019 calendar year. This is our first sustainability report and delivers on our annual commitment as a United Nations Global Compact signatory to publish a Communication on Progress. This report has been prepared in accordance with the Global Reporting Initiative (GRI) Standards: Core option and discloses our contribution to the United Nations Sustainable Development Goals (SDGs).

For any questions regarding the report please contact Amanda Nuttall amanda@thinkimpact.com.au

STATEMENT FROM OUR MANAGING DIRECTOR

Dear stakeholders,

Think Impact avidly reaffirms our support of the Ten Principles of the United Nations Global Compact in the areas of Human Rights, Labour, Environment and Anti-Corruption. We do this as part of our wider commitment to supporting organisations towards a 'new prosperity.'



There has been profound concern in recent decades about a sustainable future for our planet... and it's no wonder. The global population has almost tripled in my lifetime. Our climate systems are in peril. Consumption continues unabated. Waste is impacting ecosystems in ways we never imagined. The natural environment, and the biodiversity it provides, is suffering as never before. And rising inequality in wealth and income is now regarded as the greatest risk to the global economy. Are we really making progress as a species?

The call to transition economic and political systems in response to these challenges is louder than ever. The Think Impact team has built our business in response to the challenges. We are a certified B Corporation and our mission is to support all organisations to understand, communicate and transform their impact on society and the environment. In doing so we seek to move us all towards a new prosperity where social value, environmental value and economic value are considered equally.

At the time of writing this, the COVID-19 pandemic has brought the inherent inequity into sharper focus. Our team and the community organisations we serve are profoundly impacted. The scarcity of resources in the community sector has left many organisations exposed, right when we all need them the most. In the midst of this crisis we are proud of our team as they continue to

do our vital work under difficult circumstances. Working in such a dynamic environment means we have to constantly assess and reassess our mission and theory of change. This work is ongoing and underway right now.

Notwithstanding the impacts of the pandemic, we are delighted to report on our progress. In our first annual Sustainability Report we describe our actions to continually improve the integration of the Global Compact and its principles into our business strategy, culture and daily operations. Our report has been prepared in accordance with the Global Reporting Initiative (GRI) Standards core option and also outlines our contribution to the UN Sustainable Development Goals. We commit to sharing this information with our stakeholders transparently.

Ross Wyatt

Managing Director

ABOUT THINK IMPACT

Think Impact Pty Ltd is a leading Australian social impact and sustainability advisory firm. We are a dynamic learning organisation of highly experienced impact management, evaluation, sustainability and reporting specialists.

We provide a broad mix of consulting services to for-purpose organisations, businesses and government across Australia and New Zealand. Our expertise encompasses sustainability, social impact management, strategy, program and service design, and evaluation. We work collaboratively with our clients to build long-term partnerships to improve their performance in delivering non-financial value and we support them to transform their work into sustainable positive impact.

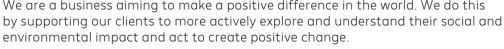
As at 31 December 2019, our team was made up 14 diverse and fabulous individuals, all of whom work out of our office located at Our Community House (OC House) in North Melbourne. For more information about our people and their skills and backgrounds refer to our website.

VISION

Towards a new prosperity – where prosperity is based on more than wealth; it encompasses community, inclusiveness, long-term sustainability and wellbeing.

PURPOSE

We are a business aiming to make a positive difference in the world. We do this





Certified B Corporations are businesses that meet the highest standards of verified social and environmental performance, public transparency, and accountability to balance profit and purpose. B Corporations share a mission to redefine success in business and build a more inclusive and sustainable economy. The certification process is one of the mechanisms through which we measure our contribution to society.

Think Impact has been a certified B Corporation since 2016, and is in the process of recertifying. In addition, one of our team members serves as a B Corporation Ambassador, B Local Boston co-founder and Advisor to B Local Melbourne and B Local Sydney. Another has served on the B Local Melbourne committee and others are actively building capacity and sharing knowledge with the broader B Corporation community.

OUR SUSTAINABILITY COMMITMENTS

As a business driven by our commitment to social impact and sustainability, we are dedicated to honestly and transparently reporting on our progress toward a new prosperity. We are actively involved in the application of a number of sustainability frameworks and assessments to support our clients to better understand, communicate and transform their impact. We are also regular contributors to the ongoing evolution and thought leadership of these tools to support the evolving maturity of the sector.

Our social and environmental performance as a business is measured, validated and communicated through the process we undertake to become a certified B Corporation process and reported annually in this report. These third-party standards and reporting requirements strengthen our practices and performance by providing external resources and support from organisations that are committed to high standards of accountability and transparency. As part of our commitment to transparency and best practice, we draw upon the following assessments and frameworks to guide our business and report on our performance.

UN Global Compact (UNGC) principles

Think Impact has been an active participant of the UNGC since 2019. This sustainability report delivers on a commitment to produce our first 'Communication on Progress' report. It outlines our support for and contribution to the Ten Principles of the UNGC in the areas of Human Rights, Labour, Environment and Anti-Corruption. We do this as part of our wider commitment to supporting organisations towards a "new prosperity".

Shown below are the Ten Principles of the UN Global Compact. The following chapters in this report reference the relevant principles and discuss our approach to managing our impact in this area.

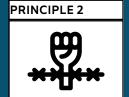
The Ten Principles of the UN Global Compact



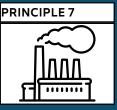
Uphold human rights



Elimination of discrimination in respect of employment and occupation



Not complicit in human rights abuses



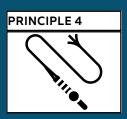
Precautionary approach to environmental challenges



Uphold the freedom of association and collective bargaining



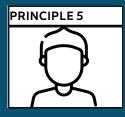
Promote greater environmental responsibility



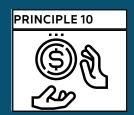
Elimination of all forms of forced and compulsory labour



Development and diffusion of environmentally friendly technologies



Effective abolition of child labour



Work against corruption in all its forms

OUR SUSTAINABILITY COMMITMENTS

UN Sustainable Development Goals (SDGs)

Think Impact is committed to promoting and supporting actions and business commitments to advance the United Nations Sustainable Development Goals (SDGs) agenda. We believe that organisations, both for-purpose and for-profit, have a key role to play in supporting governments to achieve the SDGs through responsible business operations, investment, innovation and collaboration.

The work of the Impact Management Project (IMP) has guided our evolving approach to identify and measure the ways in which we contribute to the SDGs through the work we do with our clients. We also report against relevant GRI indicators that align with the SDG targets to reflect our contribution as a business.

Whilst still in the early stages of measurement, we have begun to think through our contribution and have started to evolve our capacity to measure the impact of our contribution. There are a number of case studies through this report that provide examples of our project work and alignment to SDG contribution and measurement.

We are also actively engaged in supporting our clients to measure their contributions to the SDGs.

PROJECT CASE STUDY



In 2019, the Global Compact Network Australia (GCNA) engaged Think Impact to develop two guides to support Australian businesses, their leaders and employees, to better understand and take action to achieve the SDGs.

Drawing on our deep knowledge of sustainability and impact management, Think Impact led a series of stakeholder engagement workshops and in-depth interviews with senior leaders to gain insight into the challenges and sustainability best practices from a broad cross section of Australian companies including Australia Post, Brambles, IMPACT 2030, Lendlease, Officeworks, Optus, Melbourne Water, SA Water, Transurban, Treasury Wine Estates and Yarra Valley Water.

Titled <u>'Every Australian's Business'</u>, the guides provide practical insights from Australian companies leading in their commitiments and actions to sustainable business, demonstrating the power of the SDGs to unlock business opportunities and drive sustainable innovation that benefits people and the planet.

OUR SUSTAINABILITY COMMITMENTS

B Impact Assessment (BIA)

The B Impact Assessment tool, the basis of becoming a certified B Corporation, provides us a picture of our progress and influences our approach to policies, procedures and management processes. In early 2020, we resubmitted our assessment to recertify as a B Corporation. The assessment includes scoring across five key areas: Governance, Workers, Community, Environment and Customers. In particular, our strong performance in the Customers and Community sections of the BIA corroborates our material topics.

At the time of publication, Think Impact's assessment has been submitted and is undergoing verification by B lab for final scoring toward our re-certification. Our unverified performance and context in these sections of the BIA reflects our material topics and is provided through this report where relevant.

Overall B Impact Assessment Scoring*



OUR STAKEHOLDERS

Think Impact identified its key stakeholders through a structured internal process. The key stakeholder groups, their material topics of interest and concern, and the methods through which we engage them are provided below.

Our stakeholder map

- EMPLOYEES
- » impact on social issues
- » sector development and leadership business ethics and governance
- » people and culture
- » employee health, safety and wellbeing
- » employee development and training
- » employee diversity and inclusion
- » GHG emissions
- » supply chain management
- » economic performance
- » client satisfaction
- Annual interviews to support the materiality assessment
- Annual performance planning
- Theory of change development
- Strategic planning sessions
- Weekly team meetings
- Regular check-ins and informal discussions
 - **PARTNERS**
 - » impact on social issues
 - » business ethics and governance client satisfaction
 - Partner relationship management

- » sector development and leadership
- » impact on social issues
- Formal roles on committees or boards
- Informal catch-ups

SECTOR IMPACT NETWORKS

- OUR STAKEHOLDERS

- **SUPPLIERS**
- » supply chain management economic performance
- Informal discussions

- **CLIENTS**
- » impact on social issues
- » client satisfaction
- » sector development and leadership
- » business ethics and governance
- » data security and privacy
- Client surveys
- Client relationship management
- Project close-out discussions
- Strategic conversations

OC HOUSE MEMBERS

- » supply chain management
- » sector development and leadership
- » people and culture
- Monthly social gatherings
- Engagement at training and events
- Informal catch-ups

LEGEND:

- » Key topics of interest to stakeholders
- Approach to stakeholder engagement

OUR MATERIAL TOPICS

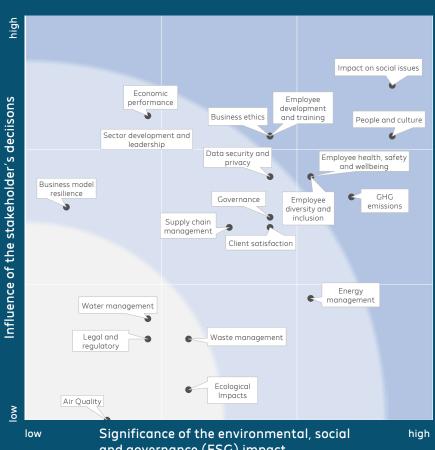
To determine the content of this report, Think Impact undertook a formal materiality review process to identify the topics that have a high potential to impact or that are impacted by our operations.

Our methodology drew on the five-part materiality tests provided by AccountAbility and Harvard University's Initiative for Responsible Investment. The five tests comprise exploring policy-based performance, peer-based norms, stakeholder concerns, societal norms and short-term financial impacts.

The material topics for Think Impact are outlined below. The process revealed that our most material topic is 'impact on social issues', which we define as the influence or impact we have on societal issues through the socially and environmentally focused impact work we do with our clients. Other highly material topics include sector development and leadership, business ethics, and topics related to our relationship with and management of our employees. Other topics that are moderately material to Think Impact include greenhouse gas (GHG) emissions, data security and privacy, governance and supply chain management.

The higher priority issues are addressed within this report, as well as incorporated into our business and sustainability strategies and policies as appropriate. The lower priority issues are not material for the purposes of our reporting, but the trajectory of these 'horizon' issues are monitored by our team.

Materiality matrix



and governance (ESG) impact

DELIVERING ON OUR PURPOSE AND VALUES

The materiality process revealed that our most material topic is 'impact on social issues'. We define this as the influence or impact we have on societal issues through the socially and environmentally focused impact work we do with our clients. Our work is focused on supporting and empowering our clients to better understand, measure and leverage their impact, and we work hard to build their capacity in this grea. As an organisation, we are heavily involved in various impactfocused professional associations and we support other activities that create value within the social and environmental sectors.

We are committed to respecting human rights in our own activities as well as through our business relationships in supply chains. Our Code of Conduct and Sustainability policies outline our expectations with regards to behaviour and business ethics. Whilst we are not aware of any negative impacts in our supply chain, we recognise that we may be exposed to unknown risks in our supply chain, particularly as related to child labour and modern slavery. We are mindful of this risk and are therefore selective in our supply chain decisions and where and how we operate.

OUR APPROACH AND PERFORMANCE

Relevant UNGC Principles



Uphold human rights



Not complicit in human rights abuses



Elimination of all forms of forced and compulsory labour



Effective abolition of child labour



Elimination of discrimination in respect of employment and occupation

Relevant SDGs and taraets











The value we create for clients

Through the work we do, our purpose is to equip others to create positive change. We work with a variety of clients, examples of which are given throughout this report

We mainly measure our performance via verbal feedback from clients, which demonstrates that clients are highly satisfied with our work. At the beginning of 2020, we introduced a client feedback survey, and have begun to use this as a mechanism to seek feedback. We also use repeat business and testimonials from clients as measures of success.

The impact-focused professional associations and other activities in which we actively participate and support are provided on the following page.

MEMBERSHIP AND ASSOCIATIONS















Social Value International (SVI)

SVI is the global network that governs the Social Return on Investment (SROI) methodology. SROI is an approach for measuring the impact of a program or organisation. It looks at what changes for stakeholders from the perspective of the stakeholders themselves.

The Think Impact team now comprises over ten per cent of SVI Practitioners globally with Matt Gidman and Natasha Rees joining team members Rebecca Cain, Suzi Young and Kevin Robbie as Practitioners. In addition, Associate Director Rebecca Cain is one of only two people in Australia qualified to deliver the 2-day SROI Practitioner training. Being SVI Practitioners gives our clients confidence that our work, and our SROI projects in particular, demonstrate good practice and consistency with internationally agreed upon principles and approaches.`

Certified B Coporation

Certified B Corporations (B Corps) are businesses that meet the highest standards of social and environmental performance, public transparency, and legal accountability to balance profit and purpose. The cerification and global community of certified B Corps sis overseen by the nonprofit, B Lab. We have been a certified B Corporation since 2016, and are in the process of recertifying. In addition, one of our team members serves as a B Corporation Ambassador, B Local Boston co-founder and Advisor to B Local Melbourne and B Local Sydney. Another has served on the B Local Melbourne committee.

Social Impact Measurement Network of Australia (SIMNA)

SIMNA is a membership organisation whose purpose is to help foster the emerging practice of social impact measurement in Australia. Our Managing Director, Ross Wyatt, serves on the board and one of our senior consultants serves on the Victorian committee.

Global Reporting Initiative (GRI)

We are a member of the GRI Community and active in the development and application of the GRI Standards. GRI is an independent international organisation that has pioneered sustainability reporting since 1997.

United National Global Compact (UNGC)

We have been a member of the UNGC since 2019. This is our first 'Communication on Progress' report.

Board membership

Our Associate Director, Rebecca Cain, sits on the board of Lively, a non-profit organisation employing young people to help older people to stay connected and live well.

Mentorship

For the past ten years, our Director Kevin Robbie has been regularly mentoring leaders in social enterprises from organisations such as the Foundation for Young Australians.

OUR APPROACH AND PERFORMANCE

The value we create for our communities

We are committed to respecting and upholding human rights. We seize opportunities to engage with and contribute to building stronger communities that are equitable, diverse and inclusive.

Think Impact commits to supporting good labour practices, including the elimination of child labour. However, due to the nature of our business, these are not highly material issues for us. Our supply chain includes the infrequent hiring of subcontractors and purchase of IT equipment, office supplies and catering.

We also actively contribute to reducing discrimination and creating economic development opportunities for vulnerable people. We do this by procuring ethical products and services wherever possible. For example, our weekly fruit box is supplied by a local social enterprise that employs asylum seekers and refugees. Our events are also catered for by social enterprises wherever possible.

Our approach is outlined in our Sustainability policy.

We are actively engaged in supporting community organisations and connecting with our community. This is demonstrated through our engagement with for-purpose organisations and our move to OC House. OC House – managed by Our Community, which is also a certified B Corp – is a co-working space for not-for-profit organisations, social enterprises and certified B Corps. OC House is focused on supporting and accelerating the work of social sector organisations to resolve a range of diverse problems, as well as providing them with opportunities for collaboration and innovation.

How we understand and measure performance

While the discrete questions that comprise the 'Impact improvement' component in the Customers section of the BIA are 'unscored', our unverified total of 26.7 is worth noting.

Our responses to these 'Impact improvement' questions included noting that the service we provide contributes research, measurement, data collection, or reporting that supports impactful decision-making¹ and that we have evidence of transformational improvements based on the products or services provided². It also discloses that we have formally defined the outcomes sought by our product or service and have developed a theory of change for them, that we have directly and formally engaged stakeholders in understanding their desires and needs when developing, refining, and or delivering our products or services, and that we are verified to meet third-party standards for impact (e.g. we have impact-related product certifications).³

¹ Unverified response to question: 'What type of product or service does your company provide that improves the impact of your clients?'

² Unverified response to question: 'Can your company verify that, based on your product or service, any of the following types of impactful improvements were made by the majority of your client organizations?

³ Unverified response to question: 'How does your company measure and manage the results, outcomes, effects, or impact of your product or service?

OUR APPROACH AND PERFORMANCE

Social value performance: community and customers



*Scores pending verification

Graphic adapted from Think Impact's B Impact Assessment dashboar

Despite contributing an overall strong score to the assessment, the distribution of scores in the Community section of the BIA shows room for improvement – particularly in the areas of Diversity, equity and inclusion component. Nonetheless, this section rewards Think Impact's strong female leadership (with women comprising 50 per cent of our board of directors) and relatively equitable high-to-low pay ratio. Another notable response within this section of the BIA revealed that more than twenty-five per cent of Think Impact's full-time and part-time jobs were newly created over the last twelve months (that is, from end-January 2019 to end-January 2020) and paid a living wage.



Graphic adapted from Think Impact's B Impact Assessment dashboard.

^{**} Scores are automatically calculated by combining unscored responses in this section with responses in other areas of the assessment. High and low scoring is not provided by B Lab

PROJECT CASE STUDY



Positive Futures Les Twentyman Foundation

Disengagement with traditional social institutions and forms of support, such as family, school and other prosocial forms of social capital, such as community and peer groups, has been linked to youth homelessness.

Positive Futures is a three year early interv`ention, personal development and support program facilitated by the <u>Les Twentyman Foundation</u> (LTF). The program is targeted at youth exhibiting signs of disengaging with the education system and who are at-risk of homelessness. In 2019, 119 young people participated in the program in its first year at three secondary schools.

The positive outcomes for young people are expected to contribute to the following goals and targets:









Think Impact was commissioned to support the program in three key ways: through monitoring and evaluating the program, strengthening internal capacity of team members, and supporting the team's use of software to manage and report data. We found that, as a result of their participation in Positive Futures, young people experienced improved school attendance and engagement as well as a variety of other outcomes in the areas of wellbeing, physical health and work skills.

Think Impact's work assisted LTF to understand and demonstrate the impact it has created for at-risk young people and other stakeholders through the Positive Futures program. This will enable the Positive Futures program to understand and articulate its impact and continuously learn and improve its capacity to create positive outcomes as it moves into its second year.

PROJECT CASE STUDY



Valuing Our Green Spaces City of Parramatta

In 2019, Think Impact completed a Social Return on Investment evaluation on behalf of the City of Parramatta and Western Sydney Local Health District (WSLHD) to understand the social and economic value created by the parks and sports fields provided and maintained by Council. The <u>Valuing Our Green Spaces</u> evaluation tells a unique story about the social impact of parks and sports fields and helps us understand why preserving these valuable local assets is so important to community wellbeing.

The project won the Innovation in Social Impact Measurement Award at the 2019 Social Impact Measurement Network Australia (SIMNA) Awards.

OUR COMMITMENTS

As an organisation, we are committed to measuring the impact we create for our clients, and the subsequent contribution they make to the SDGs. While it is a challenging undertaking, a current theory of change will position us to then move forward with measurement. We will continue to collect feedback from clients informally and formally through our client feedback form.

Think Impact prohibits child labour in all its forms and will actively review our supply chain for potential exposure to products and services that may engage in modern slavery, child labour or other human rights abuses.

We work with Aboriginal and Torres Strait Islander communities via a number of our projects – for instance with Australian Unity via their Aboriginal Home Care program and the NSW Department of Premier and Cabinet Aboriginal Affairs. We are committed to improving our efforts to support establishing recognition, self-determination and representation for First Nations People in the governance of our country, and we are considering how we as an organisation might make better and more specific efforts in this area, including the development of a Reconciliation Action Plan.

CREATING VALUE IN OUR BUSINESS DELIVERING ON OUR PURPOSE AND VALUES

Think Impact is a business driven by its purpose. We aim to run a resilient, influential and well-governed company that consistently delivers a strong economic performance and shares its financial success with its people. However, we see any profit that we make as a product of our purpose, not the purpose of our business. Our ability to deliver on this purpose is enabled by our commitment to operate responsibly and build trust between our business and the stakeholders involved with or impacted by our operations.

Since the establishment of our business in 2014, we have been committed to operating as an effective, accountable and transparent organisation. We draw upon the guidance provided by the United Nations through the Ten Principles of the UN Global Compact and the Sustainable Development Goals. By incorporating these principles into strategies, policies and procedures and establishing a culture of integrity, we aim to exceed our responsibilities to people and the planet in the areas of human rights, labour, environment and anti-corruption. We believe this approach will position our business for long-term success

CASE STUDY



Our team has been inspired by the paradigm shift for workplaces as outlined in Reinventing Organizations by Frédéric Laloux. Reinventing Organisations uses the metaphor of a living system as a new way to think about an organisation and provides a set of structures, practices and processes that challenge traditional management thinking.

It outlines three major themes to enable the emergence of an evolved workplace culture:

- · Self-management: Operate effectively, even at a large scale, with a system based on peer relationships, without the need for either hierarchy or consensus.
- · Wholeness: Develop a consistent set of practices that invite people to reclaim their inner wholeness and bring all of who they are to work.
- Evolutionary purpose: Cultivate a life and a sense of direction for the organisation driven by a collective purpose.

We will continue to draw upon the guidance provided by Laloux as we evolve our own structures, practices and processes. Some examples of the ways in which we have applied these principles are provided through the report.

CREATING VALUE IN OUR BUSINESS OUR APPROACH AND PERFORMANCE

Relevant UNGC Principles



Work against corruption in all its forms

Relevant SDGs and targets





Business ethics and values

Operating ethically is vital to the work we do and the people we attract to work with us. To deliver on this commitment, we operate within an embedded culture of ethics and values. Our people are guided by a policy framework, which outlines how we operate. Our Code of Conduct outlines expectations for the ethical and responsible behaviour of team members. This includes applying integrity and professionalism to all of our dealings and exercising fairness, equality, courtesy, consideration and sensitivity in our interactions with other employees, clients and suppliers. Think Impact expects co-operation from all employees in abiding by the Code of Conduct and conducting themselves in a professional, ethical and socially acceptable manner.

We comply with all relevant legislation and policies and maintain client data in a secure and appropriate manner. We have had no privacy breaches or related complaints during the reporting period.

While our risk profile as a small consulting business is low, we are nevertheless cognisant of the importance of preventing and fighting corruption. Our Code of Conduct outlines our expectations of the proper use of company funds and assets, avoiding and managing conflicts of interest, and accepting or offering gifts. We have no tolerance for corruption within our business or in our business relationships and support anti-corruption collective action. We have had no incidents of corruption during the reporting period.

We also apply an ethics filter to our project work. Prior to working with a new client and securing a project, we review a set of ethics criteria to ensure the project aligns within our organisational values. We focus on answering three key questions as part of this process:

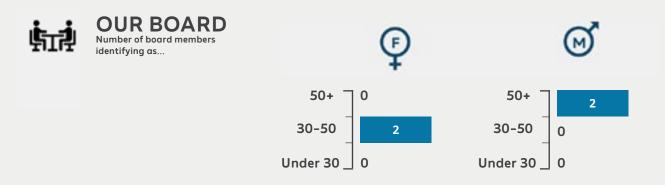
- Does the client's primary product or practices cause substantial social harm?
- · Does the client's primary product or practices cause substantial environmental harm?
- Does the client engage in other practices that are subject to stakeholder concern (for example, violation of Aboriginal or Torres Strait Islander peoples' rights, large scale layoffs, breach of consumer law)? If yes, does the client demonstrate a genuine commitment to improving their social and environmental performance?

Governance and risk

Our embedded culture of ethics and values drives our approach to governing our business. Our governance structure comprises a board of four directors who are also the shareholders of the business. We are committed to demonstrating diversity and inclusion within our leadership team. We see first-hand how diversity in skills, experience and background can produce positive outcomes for our business. It creates value for our business by contributing to productivity, innovation, risk management and stakeholder satisfaction.

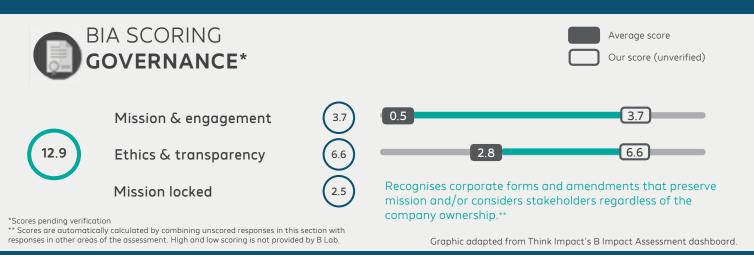
CREATING VALUE IN OUR BUSINESS OUR APPROACH AND PERFORMANCE

Board characteristics



Due to the size of our organisation, we do not operate any formal committees of the board. The directors' group is ultimately responsible for all decision-making on economic, environmental and social topics.

Performance on our governance



Our unverified scores in the Governance section of the BIA shown above provide further evidence of our performance in this area.

Our performance in questions pertaining to ethics and transparency is consistent with our approach to business. As noted above, we have a number of practices in place to promote ethical decision-making and transparency – both internal, for instance financial, and external.

CREATING VALUE IN OUR BUSINESS OUR APPROACH AND PERFORANCE

Project management

All projects have a project director and project manager. Most also have team members, depending on the size of the project. Project directors are responsible for oversight, quality assurance and making sure the team has the resources it needs to deliver the project. Project managers are responsible for keeping track of timelines, the budget and deliverables. To ensure efficient and consistent delivery of projects, we recently created a project management toolkit for project managers to refer to throughout various stages of the project.

OUR COMMITMENTS

We recognise that ethical standards do not remain fixed. As people change, technology advances, and cultural norms shift, so should our ethical business practices transform. We will always work to remain cognisant of ethical norms and evolve our practices in response to evolving situations and expectations.

We will also continue to access the relevance for our business of the concepts explored in Reinventing Organizations by Frédéric Laloux. We are currently working to establish a practice known as the advice process. In principle, it aims to empower anyone within the organisation to make any decision, provided that all affected parties and relevant experts have been consulted as part of that decision.

DELIVERING ON OUR PURPOSE AND VALUES

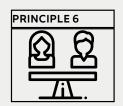
Think Impact's most important asset is its people. Our success in addressing challenging topics and creating nuanced responses relies on a team of capable and engaged individuals.

We acknowledge that the physical and cultural aspects of the business influence the health and wellbeing of our team members. The policies we develop, management approaches we take, and the investment we make in physical infrastructure are all examples of the ways we can influence the outcomes for our people. We place an emphasis supporting an environment of health and safety through:

- The physical environment (for example, ergonomics, access to sunlight, fresh air and food)
- · An appreciation for diversity, including an adaptive workplace to accommodate differences
- · An environment that commits to cultural safety, anti-discrimination and inclusion

OUR APPROACH AND PERFORMANCE

Relevant UNGC Principles

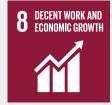


Elimination of discrimination in respect of employment and occupation

Relevant SDGs and targets







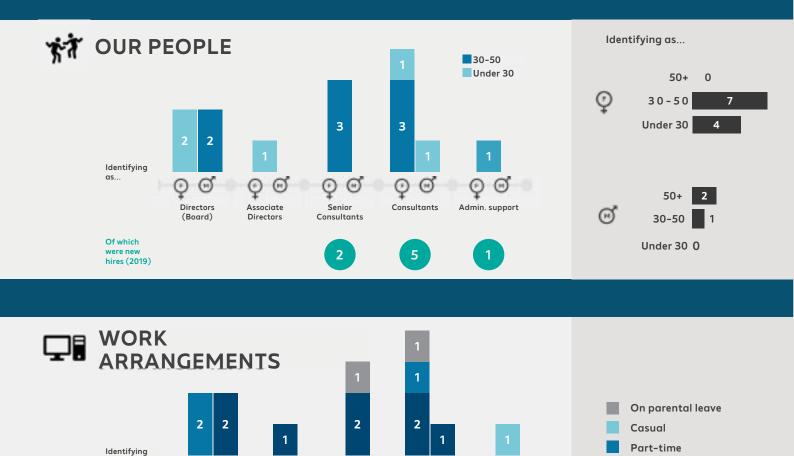


Our approach to developing the workplace culture, policies and procedures is heavily influenced by those outlined in Reinventing Organizations by Frédéric Laloux. This influence is most visible in a holistic approach to culture, encouraging team members to show up with their 'whole selves'. The book also encourages self-management and the minimisation of hierarchical structures to improve equity and encourage choice and empowerment for employees.

As of 31 December 2019, Think Impact comprised 14 people. Of this group, 13 people were employed on a permanent basis, and one as a casual employee. We are a growing business and our success enabled us to take on nine new people over 2019, a significant increase from the seven that comprised Think Impact at the close of 2018. Of those nine, two have since moved on to other roles, resulting in a current total of 14 employees. The characteristics of our workforce are detailed on the following page.

The Workers section of the BIA provides a meaningful context in which to frame our approach and performance in this section. The table details and scoring in this area are outlined on the following page and establishes the structure for describing our approach in this section.

WORKFORCE CHARACTERISTICS



00

Senior

Consultants

Θ

Associate

Directors

Our performance for our workers

Directors

(Board)

Of which also telecommute...



Consultants

Admin. support

Full-time

OUR APPROACH AND PERFORMANCE

Financial security

Think Impact is committed to using business as a force for good. As a for-profit business, we aim to balance purpose and profit by earning money to resource the payroll for our passionate and experienced team to continue offering services intended to drive positive change. Our team members rely on the salaries and benefits provided through this work to meet their immediate financial needs for themselves and their families, invest in their future and enjoy a reasonable quality of life.

We strive to supply competitive salaries that appropriately reflect the contributions of each team member. Currently, all employees are paid on a salary basis, with wages of the lowest paid employee amounting to more than 40 per cent of the legal minimum wage. Our goal is for all employees to receive some cash bonus through a profit-sharing program that is under development.

Career development

A systematic approach to professional and career development ensures all staff have the capabilities necessary to fulfil their position, develop themselves and their careers, adapt to change and assist in developing others. Our employee development efforts aim to benefit the personal and professional development of our people and develop a mutually beneficial relationship.

Think Impact commits to establishing meaningful roles for and supporting the professional development of all directors, employees, interns and volunteers. The following approaches and activities fulfil this commitment:

- **Induction and orientation** upon commencement with Think Impact includes training on our policies, procedures and systems; subject matter knowledge and methodologies and one-on-one get-to-know-you conversations with all colleagues.
- Access to a vast supply of resources for team members. On-the-job learning is encouraged and made available through learning lunches, shadowing or mentoring, methodology toolkits.
- A formal performance planning and review process that is subject to mangers review and enhancement to enable it to best meet the needs of our people. Both manager and team members share the responsibility to contribute to the ongoing planning and review of career development.
- Learning and development activities. An annual stipend of \$500 is available to all tenured employees for career learning and development opportunities, such as conferences, events or courses, coaching, books and other resources

OUR APPROACH AND PERFORMANCE

Health, wellness and safety

We operate in a largely office-based environment where health and safety risks are low. We have recorded zero workplace injuries in the reporting period.

However, we regularly undertake research that involves travel and engagement with other stakeholders. We pride ourselves on the consideration given to intersectionality. Each of us comes with a wide range of experiences, backgrounds and influences – as do the the stakeholders with whom we engage as part of our everyday work. We never fully know, nor do we judge people, as trauma, disadvantage and discrimination can touch anyone's life. Being cognisant of participants' needs and managing the safety and wellbeing of our team and the stakeholders with whom we engage, is therefore paramount. Our Safety and wellbeing in research policy affirms Think Impact's legal and ethical responsibility and commitment to ensuring the safety and wellbeing of our people and of research participants with whom we engage.

Health and wellbeing benefits are provided to all employees, regardless of their work arrangements . We offer a flexible work environment that responds to the individual needs of our employees and – to the degree possible – representatives from other organisations with whom we partner to deliver our services. Practices such as providing ergonomic workspaces, reduces the risk of strain and injury, while benefits such as optional physical training sessions and the supply of fresh fruit enable employees to maintain physical and nutritional health.

We are committed to the promotion of a joint and united approach to consultation and resolution of workplace health and wellbeing issues. Through the periodic review of the policy, procedures and legislative compliance, Think Impact will foster continuous improvement of its workplace health and wellbeing practices. We aim to reduce the factors that present risks to health and wellbeing and respond to factors identified to produce positive impacts on our people.

CASE STUDY



Our parental policy exceeds the minimum standards set forth by the Australian Government Paid Parental Leave Scheme, by providing an additional four weeks of leave. Think Impact also provides non-monetary parental support to enable a flexible, family-friendly work environment including:

- · providing a safe working environment for all, including the provision of support for breast-feeding employees
- · moving an employee off a project if it isn't safe for them to do their usual job due to pregnancy.

During 2019, we had three employees take parental leave, two women and one man. Of those, one returned to work in 2019, and the other two have indicated that they wish to return to work during 2020.

OUR APPROACH AND PERFORMANCE

Engagement and satisfaction

Initiatives to drive employee engagement and satisfaction encourage a positive experience for all and support high quality work from engaged employees. Think Impact's policies and procedures offer a set of foundational guidelines that support a safe and inclusive workspace, including:

- · Code of Conduct policy
- · Leave policy
- · Sustainability policy
- · Parental policy
- · Safety and wellbeing in research policy
- · Professional development policy

We are in the process of developing Diversity and inclusion, and Health and wellbeing policies that will further inform all operational aspects of Think Impact.

Our employment practices reflect our commitment to diversity and inclusion. Our team has been selected on the basis of their ability to do the job, but also in consideration of the diverse skills, backgrounds and experience they bring. This diversity brings value to our business and the services we provide for our clients. As outlined in our Code of Conduct, Think Impact will not tolerate discrimination or harassment of any kind and will actively educate employees and influence stakeholders to ensure everyone feels safe, and free from discrimination and harassment in the workplace.

We respect the right of our team to freely and voluntarily establish and join groups such as unions for the promotion and defence of their occupational interests. We are committed to genuine dialogue with our people and their chosen representatives to understand each other's problems better and find ways to resolve them. Whilst none of our employment arrangements involve collective bargaining agreements, we recognise the right of our people to discuss and negotiate workplace relations. Team members have ample access to managers and directors on a daily basis, with time set aside monthly for informal meetings with the Managing Director to discuss workplace topics.

OUR COMMITMENTS

There is an opportunity to increase the diversity of our workforce, including hiring those from an Aboriginal or Torres Strait Islander background. In addition, we can improve our processes by collecting more employment data through exit surveys and developing a more structured approach to employee health and wellbeing. We also intend to schedule First Aid and CPR trainings in 2020 for employees to build their capabilities to respond in emergency situations.

CREATING VALUE FOR THE ENVIRONMENT

DELIVERING ON OUR PURPOSE AND VALUES

Think Impact's core purpose is to help organisations increase their capacity to understand and manage their social and environmental impact. We believe that we have a role to play as leaders in sustainability through the decisions we make both in our direct operations and through our procurement.

Environmental sustainability is therefore something we value as both individuals and as a company. We believe it is our responsibility to advocate for, role-model and support more sustainable behaviours.

As a service-based organisation, our waste, energy and GHG emissions footprint is relatively small. We have direct control, however, over how we manage our people, thus allowing us greater ability to responsibly monitor these impacts. Our impact mainly occurs through our day-to-day working in the office including our procurement decisions, and through our travel to and from the office.

OUR APPROACH AND PERFORMANCE

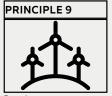
Relevant UNGC Principles



Precautionary approach to environmental challenges



Promote greater environmental responsibility



Development and diffusion of environmentally friendly technologies

Relevant SDGs and targets









TARGET	13·3
BUILD KNOWLE AND CAPACITY CLIMATE CHAN	TOMEET

Our move to in June 2019 to OC House was a helpful step for us given that the co-working space is highly focused on environmental sustainability, including working to help tenants be environmentally conscious. While OC House does not currently collect waste management data, the space offers us the ability to responsibly dispose of our waste. We use the co-mingled and soft plastic bins for recycling and green bins for our food scraps, which are fed to worm farms that are home to over 12,000 worms.

We support and encourage the development and diffusion of environmentally friendly technologies. Moving to OC House has allowed us to use power drawn from solar panels. Energy efficiency improvements made to the building, including the installation of solar panels, has led to significant energy savings. In fact, approximately forty per cent of energy consumed in the building is produced from solar energy.

Where possible, we aim to conduct meetings over video conferencing and phone to avoid unnecessary GHG emitting travel. In addition, OC House provides end of trip facilities to all tenants to encourage non-vehicle commuting.

CREATING VALUE FOR THE ENVIRONMENT

OUR APPROACH AND PERFORMANCE

Based on energy and water data provided by OC House (available from July 2019–present), we have estimated Think Impact's current annual energy and water use to be 117 Gigajoules and 34.8 megalitres respectively. Based on this data, we can estimate that we have emitted 6.3 tonnes of CO2e (see emissions figure on the following page).

In addition, in July 2019, we started an internal sustainability committee. While the committee is still in its infancy, it has led a few waste-related competitions, the start of an e-waste recycling box, a 'Bike to Work Day' and a monthly sustainability discussion circle. The discussion circle provides us the opportunity to evaluate our approach, with emphasis on how to overcome shortcomings.

Our accreditation as a certified B Corporation provides additional evidence to support our commitment to environmental sustainability. The certification process also serves as another platform to help us manage and evaluate our efforts. Our performance in the Environment section of the BIA is shown on the following page.

As tenants at OC House for the latter half of the reporting period, our performance in this component of the BIA is indicative of their noteworthy efforts in this area. For instance, 15–20 per cent of Scope 1 and 2 GHG emissions has been saved due to efficiency improvements implemented by OC House. They have also implemented energy efficiency improvements, water efficiency improvements and waste reduction programs in the building.

Our efforts support our commitment to applying the precautionary principle as a way to reduce or to avoid our negative impacts on the environment. Where there are threats of serious or irreversible damage, lack of full scientific certainty will not be used as a reason for postponing cost-effective measures to prevent environmental degradation.

OUR COMMITMENTS

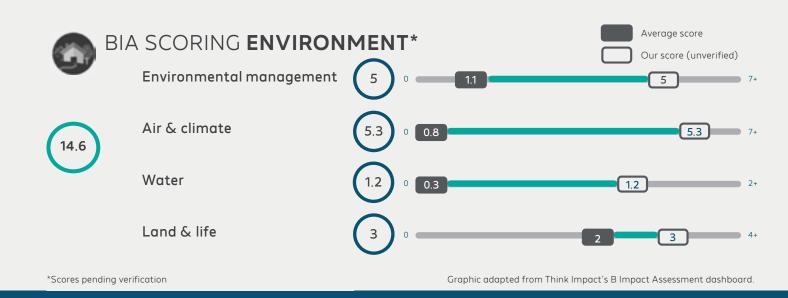
Travelling is required as part of the work we do (including flying, driving and taking public transport) and while we aim for the most environmentally friendly options such as video-conferencing where possible to avoid travel altogether, we don't currently keep track of distances travelled. Hence, there is opportunity for us to start collecting mileage data to better understand our carbon footprint. We can also explore developing a more consistent approach to offsetting our travel emissions.

An area of further development revealed through sustainability discussion circle conversations is that we can research ethical superannuation and banks, ultimately to avoid supporting firms that invest in fossil fuels and other environmentally damaging activities.

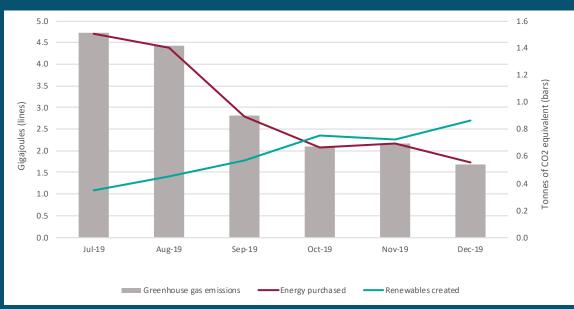
CREATING VALUE FOR THE ENVIRONMENT

PERFORMANCE CHARACTERISTICS

Environmental performance



Estimated emissions July-December 2019



This figure is based on energy use data from July to January 2019.

CREATING VALUE FOR THE ENVIRONMENT PROJECT CASE STUDY



Gippsland Lakes Coordinating Committee

The Gippsland Lakes and surrounding areas provide outstanding natural beauty, enjoyment and a home for residents; a major source of tourism and jobs for the local economy; and cultural and spiritual significance for the Gunaikurnai Aboriginal people. However, the health and values of the Gippsland Lakes are at risk from the impacts of climate change, the loss of traditional knowledge and a lack of community and landholder education and stewardship. These risks over time have seen land degraded and eroded, catchment water quality compromised, water and land habitats threatened, species endangered, and cultural values threatened.

In 2015 the Gippsland Lakes Coordinating Committee (GLCC) received \$12.5m over five years to fund the 'Love Our Lakes' projects, which collectively work to restore the health and values of the Gippsland Lakes and set foundations for future prosperity.





The positive outcomes for the environment are expected to contribute to SDG target 14.2: By 2020, sustainably manage and protect marine and coastal ecosystems to avoid significant adverse impacts, including by strengthening their resilience, and take action for their restoration in order to achieve healthy and productive oceans.

Think Impact was engaged to evaluate the impact of this funding. To understand what outcomes are being created, and for whom, we analysed the funded activities, outputs, affected stakeholders (including the environment) and the outcomes resulting from the community group efforts.

We documented the story of change for the funded programs and identified that positive outcomes are created for Gippsland Lakes' environment, business and economy, Traditional Owners and communities. Think Impact's work assisted the GLCC to understand and demonstrate the impact it has created by funding the community programs. This will enable the GLCC to influence and inform government policy and inform strategic planning by providing a basis for internal impact reflection for a range of stakeholders.

CONTENT INDEX

This Content Index provides a guide to where information on our material topics, as they relate to GRI, UNGC and SDG reporting requirements or disclosures, can be found in this report and on our website, www.thinkimpact.com.au

GRI Standard	Disclosure	Page number(s)	
GRI 101: Foundation 2016			
General Disclosu			
	Organizational profile		
Disclosures	102-1 Name of the organization	Front cover	
	102-2 Activities, brands, products, and services	4	
	102-3 Location of headquarters	Inside front	
		cover	
	102-4 Location of operations	Inside front	
	400.50	cover	
	102-5 Ownership and legal form	18	
	102-6 Markets served	4	
	102-7 Scale of the organization	4 21	
	102-8 Information on employees and other workers	— ·	
	102-9 Supply chain 102-10 Significant changes to the organization and its supply chain	10, 12	
	102-11 Precautionary Principle or approach	26	
	UNGC Principle 7: Take a precautionary approach	44	
	102-12 External initiatives	11	
	102-13 Membership of associations	11	
	Strategy 102-14 Statement from senior decision-maker	3	
		5	
	UNGC CoP Statement of support Ethics and integrity		
	102-16 Values, principles, standards, and norms of behaviour	5-7	
	Governance	<i>3</i> ,	
	102-18 Governance structure	18	
	102-22 Composition of the highest governance body and its	21	
	committees		
	Stakeholder engagement		
	102-40 List of stakeholder groups	8	
	102-41 Collective bargaining agreements	24	
	102-42 Identifying and selecting stakeholders	8	
	102-43 Approach to stakeholder engagement	8	
	102-44 Key topics and concerns raised	9	
	Reporting practice		
	102-45 Entities included in the consolidated financial statements	Think Impact Pty Ltd	
	102-46 Defining report content and topic Boundaries	9	
	102-47 List of material topics	9	
	102-48 Restatements of information	2	
	102-49 Changes in reporting	2	
	102-50 Reporting period	2	
	102-51 Date of most recent report	2	
	102-52 Reporting cycle	2	
	102-53 Contact point for questions regarding the report	2	
	102-54 Claims of reporting in accordance with the GRI Standards	2	
	102-55 GRI content index	29	
	102-56 External assurance	NA*	
		NO*	

^{*} This report has not been externally assured.

CONTENT INDEX

GRI Standard	Disclosure	Page
UNGC Principle		number(s)
SDG target		
Material Topics		
	ndard Series, UNGC Principles and Sustainable Development (Goals
Economic Performance		
GRI 103: Management	103-1 Explanation of the material topic and its Boundary	16
Approach	103-2 The management approach and its components	16
	103-3 Evaluation of the management approach	18
GRI 201: Economic Performance	Disclosure 201-1 Direct economic value generated and distributed	* NR.
Anti-corruption		
GRI 103: Management	103-1 Explanation of the material topic and its Boundary	17
Approach UNGC Anti-corruption	103-2 The management approach and its components Principle 10: Work against corruption in all its forms, including extortion and bribery. 103-3 Evaluation of the management approach	17
GRI 205: Anti-	205-1 Operations assessed for risks related to corruption	17
corruption SDG 16 Peace, justice and strong institutions	SDG 16.5 Substantially reduce corruption and bribery in all their forms	17
GRI 300 Environmenta	Standard Series, UNGC Principles and Sustainable Developm	nent Goals
Emissions		
GRI 103: Management Approach UNGC Environment	103-1 Explanation of the material topic and its Boundary 103-2 The management approach and its components Principle 7: Take a precautionary approach Principle 8: Promote environmental responsibility Principle 9: Support the development of environmentally friendly technology	26 25-27
	103-3 Evaluation of the management approach	27
GRI 305: Emissions SDG 13 Climate change action	305-2 Energy indirect (Scope 2) GHG emissions SDG 13.2 GHG Emissions	27
GRI 400 Social Standa	rds Series, UNGC Principles and Sustainable Development Goo	als
Employment		
GRI 103: Management	103-1 Explanation of the material topic and its Boundary	20-24
Approach UNGC Labour	103-2 The management approach and its components Principle 3: Uphold the freedom of association and the effective recognition of the right to collective bargaining	22-24
	103-3 Evaluation of the management approach	21
GRI 401: Employment SDG 5 Gender Equality	401-1 New employee hires and employee turnover SDG 5.5 Gender equality	13
	401-3 Parental leave SDG 8.5 Diversity and equal opportunity	21
Training and Education		
GRI 103: Management Approach	103-1 Explanation of the material topic and its Boundary 103-2 The management approach and its components 103-3 Evaluation of the management approach	23 23 21
GRI 404: Training and	404-3 Percentage of employees receiving regular	100%
Education	performance and career development reviews	

^{*} This information is not reported. As a private company we produce annual audited accounts but these are not publicly disclosed.

CONTENT INDEX

GRI Standard UNGC Principle SDG target	Disclosure	Page number(s)
Diversity and Equal Opp	ortunity	
GRI 103: Management Approach UNGC Labour	103-1 Explanation of the material topic and its Boundary 103-2 The management approach and its components Principle 6: Work towards elimination of discrimination in respect of employment and occupation. 103-3 Evaluation of the management approach	23 23 22-23
GRI 405: Diversity and Equal Opportunity SDG 5 Gender Equality SDG 8 Decent work and economic growth	405-1 Diversity of governance bodies and employees SDG 5.5 Gender equality SDG 8.5 Diversity and equal opportunity	21
Non-discrimination		
GRI 103: Management Approach	103-1 Explanation of the material topic and its Boundary 103-2 The management approach and its components 103-3 Evaluation of the management approach	23 23 22-23
GRI 406: Non- discrimination SDG 8 Decent work and economic growth	406-1 Incidents of discrimination and corrective actions taken SDG 8.5 Diversity and equal opportunity	24
Supplier Social Assessm	ent	
GRI 103: Management Approach UNGC Human Rights UNGC Labour	103-1 Explanation of the material topic and its Boundary 103-2 The management approach and its components Principle 1: Support and respect the protection of internationally proclaimed human rights. Principle 2: Make sure that they are not complicit in human rights abuses. Principle 4: Work towards the elimination of all forms of forced and compulsory labour. Principle 5: Work towards the effective abolition of child labour. 103-3 Evaluation of the management approach	10 10
GRI 414: Supplier Social Assessment	414-2 Negative social impacts in the supply chain and actions taken	10
Customer Privacy		
GRI 103: Management Approach GRI 418: Customer	103-1 Explanation of the material topic and its Boundary 103-2 The management approach and its components 103-3 Evaluation of the management approach 418-1 Substantiated complaints concerning breaches of	17 17 18 17
Privacy	customer privacy and losses of customer data	

^{*} This report has not been externally assured.

