

***miltoon***

# Miltoon Group

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United Nations Global Compact

Communication on Progress Report

December 2016 – November 2017

## To our stakeholders,

Miltton is an ambitious, forward-looking consulting group that produces, develops and improves the efficiency of leadership, communications, marketing and networks across society. In an increasingly complex world, Miltton assists companies in discovering and building their global citizenship and to leverage the power of networks. Sustainability is at the core of our services. We help our clients to enhance their sustainability matters from corporate culture to reporting.

I am pleased to confirm that Miltton reaffirms its support of the Ten Principles of the United Nations Global Compact in the areas of Human Rights, Labour, Environment, and Anti-Corruption. Miltton joined the Global Compact in 2015 and this is our second Communication on Progress report.

The report describes our policies concerning the Global Compact's Ten Principles and how we implement and monitor them in practice. We aim to continually improve the integration of the Global Compact and its principles into our business strategy, culture, and daily operations. We have also made a commitment to share this information with our stakeholders.

The report covers all Miltton Group's subsidiaries. We operate in Finland, Sweden, Estonia, Belgium, and the USA, and many of our clients operate globally. Miltton's main market areas are Finland and the Nordic countries. The head office and majority of our employees are in Helsinki, Finland.

Mathias Järnström

Managing Director of Miltton Group

Helsinki, Finland

1<sup>st</sup> December, 2017

## Contents

To our stakeholders .....	2
Human rights .....	4
Principle 1 .....	4
Principle 2 .....	4
Labour .....	6
Principle 3 .....	6
Principle 4 .....	6
Principle 5 .....	6
Principle 6 .....	6
Environment .....	9
Principle 7 .....	9
Principle 8 .....	9
Principle 9 .....	9
Anti-Corruption .....	11
Principle 10 .....	11

# Human rights

**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.

## Assessment, policy and goals

Miltton is committed to high standards of ethical conduct and complies with all applicable national and international laws and regulations. Miltton operates in Finland, Sweden, Estonia, Belgium, and the USA, which are all welfare countries with advanced legislation in terms of human rights. Miltton is subject to legislation in its operating countries.

According to Maplecroft's Human Rights Risk Index 2016, all operating countries apart from the USA are among low risk countries. The USA is scored as a medium risk. None of the operating countries are scored as a high or an extreme high risk. Therefore, the immediate risk for serious human rights offences in Miltton's operating countries can be seen as being reasonably low.

Miltton Group's Code of Conduct is a written policy that is signed by every employee as a part of the employment contract. The Code of Conduct was last updated in November 2013. It includes guidelines on human rights issues such as equality, responsible sourcing, and respecting legislation. The code also states that employees have the right to refrain from work that compromises their personal ethics or beliefs. Additionally, Miltton's equality plan has been approved and it aims to ensure that every employee is treated alike.

The actions of our business partners impact Miltton's performance and how our company is perceived. Miltton's Supplier Code of Conduct defines the behaviour that Miltton Group expects from its suppliers. The code outlines expectations regarding how our suppliers conduct their own businesses and protect our corporate assets. Suppliers are responsible for respecting and acting in accordance with the code and reporting any incidences or concerns regarding non-compliance they may be aware of.

Miltton Group is a member of United Nations Global Compact and the Global Reporting Initiative (GRI). Miltton is also a member of Finnish Business & Society (FiBS) and its Diversity Charter Finland. Miltton requires its business partners, subcontractors, and suppliers to comply with all applicable laws and regulations. However, Miltton encourages its partners to strive for levels above and beyond that of simple legal compliance.

As a company, we continuously work to improve our social impact. We aim to set a good example for our partners and clients.

## **Implementation**

All employees sign Milton Group's Code of Conduct as an attachment to their employment contract. The Code of Conduct defines the standards and behaviour that is expected from every employee. Employees shall respect and follow the code in their daily work and report any incidences of non-compliance they may be aware of.

In the event an employee's job appears to contradict the code or they become aware of a breach of the code, employees shall immediately alert their superior or HR. If an employee wants to report or disclose a matter in confidence, there is also an anonymous whistleblowing channel available at all times. If an employee has been found to have acted against the code, the employee's contract may be terminated.

Employees are selected and promoted based on qualifications and merit, without discrimination or concern for race, religion, national origin, colour, gender, sexual orientation, age, or disability.

Milton conducts regular and irregular employee surveys for its employees and acts based on the findings. Other subsidiary offices are not conducting an annual employee survey at present.

## **Measurement of outcomes**

Milton has not been involved in any legal cases or other relevant incidents related to the contravention of the Global Compact Human Rights Principles. No offences nor incidents of discrimination have been reported via the whistleblowing channel.

Human rights principles are essential to how Milton conducts business and treats its employees and other stakeholders. Respecting human rights is fundamental to our success. Our reputation is one way to measure human rights performance. Milton's reputation is excellent according to a reputation research survey conducted by the Finnish marketing publication Markkinointi & Mainonta in 2016.

The employee survey covers employees in Finland. From 2018 onwards, the survey will cover all subsidiaries. The results are used to plan measures, and senior management monitors the fulfillment of these measures. For example, Milton organises monthly updates which are transparent occasions where representatives of senior management are present and every employee is invited.

Milton Group helps its clients and partners to operate in a more sustainable way. Through our services, our customers can improve their sustainability work, communications initiatives, and stakeholder engagement. These can lead to greater responsibility with regards to human rights, labour, environment, and anti-corruption.

# Labour

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

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

**Principle 5:** the effective abolition of child labour; and

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

## Assessment, policy and goals

Miltton is committed to high standards of ethical conduct and complies with all applicable national and international laws and regulations including those relating to freedom of association. Employees have the right to refrain from work that compromises their personal ethics and beliefs.

Miltton operates in Finland, Sweden, Estonia, Belgium, and USA which are all welfare countries with advanced legislation in terms of labour practices. Miltton is subject to these legislations in its operating countries. Miltton's equality plan has been completed and approved during 2017.

Miltton does not employ child or forced labour, nor will we tolerate working conditions that conflict with international conventions and practices. We respect laws pertaining to wages and salaries as well as working time. No one should be discriminated against because of their age, gender, ethnicity, nationality, language, religion, views, opinion, health, disability, sexual orientation or any other reason relating to their person.

Miltton requires its business partners, subcontractors, and suppliers to comply with all applicable laws and regulations. However, Miltton encourages its partners to strive above and beyond that of simple legal compliance.

The Code of Conduct and the Employee Manual are written policies that guide our actions. The Code of Conduct covers the Group. The Employee Manual includes some conveniences that only concern our employees in Finland.

As a company, we continuously work to improve our social impact. We aim to set a good example for our clients. As an employer, we focus on providing a great working environment where equality and respect for each employee and ethical behaviour are key factors.

## Implementation

Miltton selects and promotes employees based on their qualifications and merit, without discrimination or concern for race, religion, national origin, colour, gender, sexual orientation, age, or disability.

Miltton conducted an equality assessment in 2016 and based on this, the equality plan, which includes more than just gender equality, has been updated and approved during 2017. All employees are familiarised with internal policies and the Code of Conduct.

Miltton helps its customers and partners to operate in a more sustainable manner. Through our services, our customers can improve their sustainability work, communications and stakeholder engagement. These can lead to greater responsibility for human rights, labour, environment, and anti-corruption.

Miltton's contract of employment does not involve a trade union. All employees have the freedom of association and they can join any union they prefer.

Superiors are responsible for implementing labour legislation correctly in the workplace. If a supervisor or an HR & Administration Director observes irregularities or, for example, absenteeism, it then becomes their responsibility to intervene.

Each employee is requested to record working hours. These records are regularly monitored by supervisors and HR to avoid excessive overtime. The ultimate responsibility for legal compliance lies with the Managing Director of each subsidiary. We have an anonymous whistleblowing channel to report concerns.

### **Measurement of outcomes**

Miltton has not been involved in any investigations, legal cases or other events related to offences against the Global Compact Labour Principles. No serious offences have been reported via the whistleblowing channel.

Supervisors and HR monitor working hours and take actions accordingly.

Miltton conducts employee surveys for its employees to find out possible topics of concern. Next year the survey will involve the entire personnel in all countries. Miltton listens to this feedback and matters arising are taken seriously.

Senior management set relevant targets, share these with supervisors, and monitor implementation and goal follow-up.

# Environment

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

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

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

## Assessment, policy and goals

Miltton does not use substantial amounts of natural resources. Due to the nature of our business, however, our company utilises resources such as electricity, computers and relies on paper and printing products, among other office items. Employees travel regularly to other offices and to meet clients, although travel is mostly short-distance. Conserving natural resources and supporting their sustainable use are important for us, too.

While Miltton does not have a written policy for environmental management, the company aims to function in an environmentally friendly way, and some measures have been taken.

According to our Code of Conduct, in our client work, all communication must be honest, truthful and accurate. No green or white washing is allowed.

As a company, we continuously work to improve our environmental impact. We aim to set a good example for our partners and clients.

## Implementation

At our main Helsinki office, we use 100% green energy and have taken further measures to reduce our energy consumption. For example, we use energy saving settings in our lighting, and heating and air conditioning are used thoughtfully. In other offices, energy is also consumed thoughtfully and, for example, low-energy consuming lighting is used and employees are encouraged to turn off unnecessary lights.

Miltton also makes an impact by choosing sustainable products and food supplies for the offices. We favour organic fruits, smoothies and coffee, and local products at our meetings. Many of our suppliers favour environmentally friendly packaging materials and e-invoicing to reduce their environmental impacts.

Miltton aims to strike a balance between consuming necessary office supplies and making our workplace more sustainable. For example, it is not possible to cut out printing entirely in our business, but Miltton can choose its printing settings and paper. Only ecological detergents are used by our cleaning companies in Helsinki and Stockholm. We favour a courier that has invested in electric cars.



All Milton offices recycle and sort their waste thoroughly. Offices in Estonia, Sweden, and the USA, are small consumers and generate only a little waste. In Brussels, employees are encouraged to drink filtered tap water instead of purchasing plastic water bottles.

We help our clients understand stakeholder expectations for environmental responsibility and develop their environmental work and communications accordingly.

Truthfulness benefits all sides. Milton avoids implementing whitewashing and greenwashing practices in communication and advises clients against doing so. All communication should be honest and accurate. Milton will not knowingly produce work that contains statements, suggestions or images that are false or misleading.

### **Measurement of outcomes**

Milton has not been involved in any legal cases or other relevant incidents related to the contravention of the Global Compact Environmental Principles.

Milton does not separately monitor environmental indicators. At our Helsinki office, our electricity company is Nordic Green Electricity and our electricity is from 100% renewable sources. At our Stockholm office, 90% of the energy used comes from renewable sources. Other offices are also favouring electricity companies that provide renewable source options.

# Anti-Corruption

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

## **Assessment, policy and goals**

Miltton and its employees shall never offer, give, ask for, accept, or receive any form of bribery. A bribe occurs when someone attempts to influence a decision by offering some form of undue or improper advantage, favour, or incentive.

Transparency International's Corruption Perceptions index 2016 scores countries by their risk of corruption, 0 standing for 'highly corrupted' and 100 representing 'very clean'. According to this study, all of Miltton's operating countries score at least 70 points, with Finland scoring the highest with 89 points (and placing third highest globally). Therefore, the immediate risk for corruption in Miltton's operating countries can be seen reasonably low and in Finland and Sweden, very low.

The Code of Conduct and the Conflicting Interest Governance Guidelines are the company's written policies concerning Anti-Corruption. Insider trading is prohibited and is addressed in our Employee Manual.

## **Implementation**

Miltton complies with laws and regulations, and does not accept any illegal or morally questionable activities in any measures. In public bidding processes, the company plays by the mutual rules and acts as openly as possible in the situation.

All employees sign Miltton Group's Code of Conduct that defines the standards and behaviour expected from every employee. Employees shall respect and follow this Code of Conduct. They help to promote the principles promoted in the code. Employees shall report any incidences of non-compliance they may be aware of. In the event an employee's job seems to contradict the code or he or she becomes aware of a breach to the code, employees shall immediately alert their superior or HR. If an employee has been found to have acted against the code, the employee's contract may be terminated at the discretion of the management team.

The use of confidential information in insider trading is strictly prohibited. We have an insider register that prohibits Helsinki employees from providing sensitive information about our clients to any media, or buying or selling shares during the period we possess critical information.

## **Measurement of outcomes**

Miltton has not been involved in any investigations, legal cases or other relevant events related to offences against Global Compact Anti-Corruption Principles. No offences have come to light via the whistleblowing channel.

We do not offer any cash or cash equivalents as gifts. Milton's employees shall not accept bribes in any form. These conditions are written in the Code of Conduct, which is signed by every employee, apart from our office in Sweden.