


FU<sup>+</sup>UREPLUS

# REPORT & ANALYSIS

Date: 8th Jun 2022

Babble



A photograph of two women riding a bicycle on a city street. They are wearing dark clothing and are in motion, as evidenced by the blurred background of a train and city lights. The woman in the front is looking forward, while the woman behind her is looking slightly to the side. A large white plus sign is positioned to the right of the women, acting as a visual separator between the image and the text on the right.

Your

# REPORT

The simplest way to manage your sustainability, we firmly believe that we should measure what we value most, not just value what we can easily measure.

## (EM)POWERING SUSTAINABILITY IN EVERY BUSINESS ON EARTH.

FuturePlus is on a mission to transform ambition into action by helping companies like yours define, understand, measure and manage their sustainability goals in relation to their current business practices.

Throughout your entire sustainability journey, we are committed to helping you make positive social and environmental change while remaining profitable and generating real returns for your business and for society.

Our platform is designed to be easy to implement for businesses, and informative for finance professionals and the markets.

Explore the downloadable reports below to learn more about the FuturePlus methodology and standards, understand the positive impact your business is making and see how you can track your progress in real time.



# METHODOLOGY

As the most comprehensive and accessible ESG impact measurement tool available, our ESG model speaks to both consumer demand and investment market data requirements. By becoming more sustainable and responsible, businesses of all sizes can improve marketability and create better returns.

Your FuturePlus actual score is a mark out of 500, which is an aggregate of your scores across the five themes. These are all scored out of 100. The ambition score is the combination of your actual score and a weighted score of all the ambitions you have pledged to achieve.



## Calculating Your Actual Score

The measurement tool we have developed has over 250 indicators that are researched and adapted from a variety of best practice sources and industry standards, such as recognised certification schemes, ESG indexes, the UN SDGs, UN Global Compact, Governments and NGOs, as well as the addition of our own impact focused metrics.

These indicators are grouped into five themes:



These themes are then split across focused subcategories - Governance, Leadership, Workforce, Supply Chain, Ecosystem, Manufacturing and Industry and Global Goals - to allow for a weighting of the indicators that produces your Actual Score, giving you a comprehensive overview of your organisation's social, environmental and ethical policies.

## Calculating Your Ambition Score

In addition to understanding your current sustainability status and score, the platform will allow you to create an ambition score for the sustainability objectives you are yet to achieve. This allows you to understand where you are now, where you want to be over the next three years, and to track both profitability and impact over the same investment period.

The ability to set ambitions gives you the opportunity to commit to action within a defined timeframe and demonstrate your commitment to employees, customers and investors, and forms the basis of an 'ambition rating', which bolsters your score and incentivises your organisation to reduce its negative footprint and increase its positive social and environmental impact. As the measurement process requires ongoing engagement and participation with your business, rather than 'scraping' data from external sources, the score is dynamic and can be updated by your organisation on a continuous basis, allowing you to showcase the changes you make and consistently improve your ESG score. However, it also allows for scores to be reduced should ambitions and requirements not be met.

Throughout your sustainability journey, FuturePlus consultants are available to help you develop your change management plans, to ensure that your sustainability ambitions are seen as a solid commitment to becoming a better business by staff, customers and investors.

# Why be SUSTAINABLE?

## The Benefits for your Organisation

As your organisation grows, your positive environmental and social impact should grow with you.

"Climate change poses risks and opportunities that may impact the long-term financial sustainability of companies across all sectors." <sup>1</sup>

The numbers speak for themselves; from positively impacting customers to increased investment opportunities, sustainability makes good business sense environmentally, socially, and financially. Customers, employees, and investors now demand that the businesses they engage with are not only able to explain how resilient and sustainable they are - but to also demonstrate the measurable difference they are making in societal and environmental terms.

"By measuring and disclosing environmental data, companies are able to take more effective action to tackle climate change and safeguard the environment." <sup>2</sup>

Sustainability is not one-size-fits-all; one company's sustainability journey can be dramatically different from another's. When we can define, understand and measure these unique goals, organisations can make effective impact without compromising their transparency or business objectives. In a recent study from CDP, 74% of companies stated that reporting their sustainability objectives had improved their reputation and 58% of companies believe it has made them more competitive in their industry.<sup>3</sup>

This is why FuturePlus measures the impact of your business and investments across five key areas: Climate, Diversity & Inclusion, Environment, Social, Economy.

"Environmental transparency correlates with financial success, with CDP climate change 'A List' companies outperforming a reference index by 5.3% per year." <sup>4</sup>

Driven by strong performance and greater awareness, 2020 saw record capital inflows into ESG investment options. Given the phenomenal rise of ESG investing and the exceptional returns high ESG rated funds provide, it is clearer than ever that values create value. Taking the steps to become sustainable not only generates environmental and social good, but it also generates economic return as well.

<sup>1</sup> BlackRock, BlackRock Investment Stewardship Engagement Report, Engagement Priorities for 2020

<sup>2</sup> CDP, Disclosing through CDP, The Business Benefits

<sup>3</sup> CDP, Disclosing through CDP, The Business Benefits

<sup>4</sup> CDP, Disclosing through CDP, The Business Benefits



Your

# SCORE

Babble

261

Actual

327

Ambition

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Climate		Diversity & Inclusion		Social		Economic		Environment	
39	63	46	66	65	68	82	84	29	46
Actual	Ambition	Actual	Ambition	Actual	Ambition	Actual	Ambition	Actual	Ambition

United Nations

# SUSTAINABLE DEVELOPMENT GOALS

As the most comprehensive ESG measurement tool on the market, FuturePlus' unique framework and scoring system leverages a variety of best practice sources and industry standards, including recognised certification schemes, ESG indexes, and the United Nations Sustainable Development Goals (UN SDGs).

Created in agreement by all United Nations Member States in 2015, the UN SDGs act as a shared blueprint and call to action for peace and prosperity. Through its 17 Sustainable Development Goals (SDGs), it highlights that at the core of a just, sustainable future is equality for all people; that the strategies designed to combat climate change, improve health and education, reduce inequality, and spur economic growth must be accomplished hand-in-hand by those working to end poverty and other deprivations.

Babble is currently positively impacting **14** out of the **17** UN SDGs.





# Your INSIGHTS

FuturePlus is built on the principle of measurable success. It starts with understanding, defining and bringing to life your sustainability goals. Every business is different, but we believe that every organisation has a responsibility to define and understand their own unique capabilities in order to contribute what they can to make a better world for all of us.

## Current Achievements

Babble's 'Actual' sustainability score has risen from 188/500 in January 2022, to 261/500 currently (June 2022). This reflects the incremental and positive steps that Babble has taken over the past five months.



Your highest score by some way remains in our Economic theme (score 82/100). We measure economic impact by looking at corporate ethics and purpose, and whether responsible and good governance exists within an organisation. Babble's strengths in this area lie in operating its business in a fair and transparent manner, acting responsibly to mitigate risk, disclosing relevant information, safeguarding data, and practising responsible innovation.

Babble's lowest score remains in Environment (29/100), however you have come some way in improving on your initial assessment score which was just 3/100. We have been working to ensure that teams are provided with information and training on why it is vital that businesses play their part in safeguarding our shared environment, by focusing on simple steps to conserve water and energy, and reduce waste streams. There is still much more than can be done, but small, incremental improvements are being made.

Other achievements made by Babble during the period since January 2022 have included:

- Putting in place a Supplier Code of Conduct
- Putting in place a Climate Change Mitigation & Adaptation Policy
- Putting in place a Diversity & Inclusion Statement as part of Babble's Equal Opportunities policy, which is also now being included on all job advertisements
- Ensuring that diverse and inclusive imagery is used in any comms materials
- Switching to environmentally friendly cleaning products
- Ensuring that general recycling facilities are available in each office location
- Carrying out an assessment of single-use plastics and putting a reduction plan in place
- Beginning work on a climate risk assessment
- Screening your top 5 suppliers for human rights, labour rights, environmental and climate risks
- Creating a sustainability training pack which will be rolled out to all staff and teams - a great way to embed behaviours and to encourage teams to become agents of lasting change within the business, rather than viewing sustainability as a pet project.

## The Right Climate

Your climate score is still relatively low (39/100), but you have some robust commitments in place in terms of climate targets, including goals to measure, monitor and set reductions for your scope 1 & 2 greenhouse gas (GHG) emissions. Efficiently measuring and tracking your GHG emissions should be at the heart of your decarbonisation efforts in order to put reduction strategies and solutions in place. It is not only vital that businesses act swiftly to curb their emissions, but that they also evaluate how climate change and the policy interventions aimed at mitigating its effects may in turn affect them in the future.

The majority of your carbon footprint will come from your scope 3 emissions, which includes emissions from purchased goods and services, business travel and employee commuting, waste disposal, use of sold products, investments, leased assets and more. Committing to measuring your scope 3 can seem like a daunting prospect, but a better understanding of your organisation's carbon footprint in its entirety will help to improve transparency and brand reputation, as well as giving you a better understanding of Babble's exposure to climate-related risks, creating positive engagement with employees and consumers, and lowering your energy costs.

Reporting scopes 1, 2 & 3 emissions data is now mandatory for some companies. At the moment the mandate only applies to large and publicly listed UK companies, but the requirement is likely to expand in the near future, through an increase in requirements associated with emissions reporting through schemes like the Task Force on Climate-related Financial Disclosures (TCFD).

#### Embedding Sustainability

The steps Babble has taken thus far should not be seen as a tick-box exercise. A holistic approach to embedding sustainability is needed as Babble moves forward to ensure that the policies and procedures you have already put in place are being adhered to, reviewed and updated regularly. Sustainable practices should ideally become a part of every element of your business model and operations - and this doesn't mean sacrificing profit over positive impact. There are multiple pieces of research evidencing conclusive correlations between good business practices in sustainability and economic profitability.

#### Babble's Ambitions

Your 'Ambition' score has also risen, from 271/500 in January 2022, to 327/500 today. It is a testament to Babble's willingness to revisit the ambitions set during the initial assessment and push for stronger positive impact objectives.

Over the coming months FuturePlus will be supporting Babble in:

- Measuring its scopes 1 and 2 GHG emissions
- Setting targets for energy reduction
- Screening the company's pension scheme for ethical and environmental credentials
- Continuing plans for the creation of 'Babble Wood' through exploring the possibility of a carbon offset tree planting scheme
- Carrying out sustainability training
- Taking a more in-depth look at Babble's supply chain in order to promote diversity & inclusion
- Putting in place a measurable waste reduction strategy





Sustainability

# ROADMAP



	3 MTHS	6 MTHS	12 MTHS	18 MTHS	3 YRS
<b>Does your organisation monitor, record, and report its energy use and scopes 1 &amp; 2 carbon emissions?</b> Climate / Governance Submitted: 17/Jan/2022	<div> <div></div> <div>45 Days left</div> </div>				
<b>Do you have gender parity within your Board?</b> Diversity & Inclusion / Governance Submitted: 17/Jan/2022	<div> <div></div> <div>960 Days left</div> </div>				
<b>When selecting Board members have you or would you look for a commitment to diversity and inclusion?</b> Diversity & Inclusion / Governance Submitted: 17/Jan/2022	<div> <div></div> <div>960 Days left</div> </div>				
<b>Is there a strategy in place to increase the diversity of the Board?</b> Diversity & Inclusion / Governance Submitted: 17/Jan/2022	<div> <div></div> <div>960 Days left</div> </div>				
<b>Does your organisation have comprehensive policies and procedures that promote diversity and inclusion?</b> Diversity & Inclusion / Governance Submitted: 17/Jan/2022	<div> <div></div> <div>410 Days left</div> </div>				
<b>Does the Board ensure a diverse range of perspectives are consulted when developing organisation strategy?</b> Diversity & Inclusion / Governance Submitted: 17/Jan/2022	<div> <div></div> <div>960 Days left</div> </div>				
<b>When selecting leadership team members, do you look for a commitment to positive social impact?</b> Social / Governance Submitted: 17/Jan/2022	<div> <div></div> <div>960 Days left</div> </div>				
<b>Does your organisation have a comprehensive succession plan that considers diversity and inclusion in its employee development and mentoring programmes?</b> Diversity & Inclusion / Leadership Submitted: 17/Jan/2022	<div> <div></div> <div>410 Days left</div> </div>				
<b>When selecting suppliers, does your organisation calculate the carbon emissions related to the manufacturing and transport of the goods you are purchasing, and make procurement decisions based on an understanding of their carbon footprint?</b> Climate / Supply Chain Submitted: 17/Jan/2022	<div> <div></div> <div>229 Days left</div> </div>				
<b>Has your organisation set significant targets to reduce your energy consumption and carbon emissions?</b> Climate / Carbon Footprint Submitted: 17/Jan/2022	<div> <div></div> <div>229 Days left</div> </div>				
<b>Does your organisation offset those GHG emissions that cannot be reduced or eliminated?</b> Climate / Carbon Footprint Submitted: 17/Jan/2022	<div> <div></div> <div>229 Days left</div> </div>				
<b>Do your organisation's buildings have energy efficient features?</b> Climate / Carbon Footprint Submitted: 17/Jan/2022	<div> <div></div> <div>229 Days left</div> </div>				
<b>Do you educate, incentivise, and/or provide equipment to employees who work from home to help reduce energy consumption and improve their sustainable business practices?</b> Climate / Carbon Footprint Submitted: 17/Jan/2022	<div> <div></div> <div>229 Days left</div> </div>				
<b>Does your organisation consider, promote, and support economic inclusion when selecting suppliers?</b> Diversity & Inclusion / Supply Chain Submitted: 16/Feb/2022	<div> <div></div> <div>259 Days left</div> </div>				
<b>Does your organisation engage with the communities in which you operate to mitigate and manage social risk?</b> Social / Leadership Submitted: 17/Jan/2022	<div> <div></div> <div>45 Days left</div> </div>				
<b>Does your organisation ensure employees receive equal pay for equal work (e.g. gender pay gap audit, BIPOC pay gap audit)?</b> Economic / Workforce Submitted: 17/Jan/2022	<div> <div></div> <div>229 Days left</div> </div>				
<b>Does your organisation provide work related insurance policies for all of your employees, including travel, accident, death in service, and disability insurance?</b> Economic / Workforce Submitted: 17/Jan/2022	<div> <div></div> <div>410 Days left</div> </div>				
<b>When selecting leadership team members do you look for a commitment to sustainability and environmental issues?</b> Environment / Governance Submitted: 17/Jan/2022	<div> <div></div> <div>410 Days left</div> </div>				

	3 MTHS	6 MTHS	12 MTHS	18 MTHS	3 YRS
<b>Does your organisation report to all your stakeholders on your social and environmental performance?</b> <b>Environment / Governance</b> Submitted: 17/Feb/2022	<div> <div>76 Days left</div> </div>				
<b>Does your organisation have a waste reduction strategy across all operational sites?</b> <b>Environment / Leadership</b> Submitted: 17/Jan/2022	<div> <div>229 Days left</div> </div>				
<b>Does your organisation measure and manage any non-food waste it generates?</b> <b>Environment / Ecosystem</b> Submitted: 17/Feb/2022	<div> <div>76 Days left</div> </div>				
<b>Does your organisation train its employees on relevant sustainability practices and principles?</b> <b>Environment / Workforce</b> Submitted: 18/May/2022	<div> <div>Overdue</div> </div>				
<b>Does your organisation actively invest in environmental protection and conservation?</b> <b>Environment / Ecosystem</b> Submitted: 13/Apr/2022	<div> <div>133 Days left</div> </div>				
<b>Does your supplier code of conduct include information on how its environmental practices will be monitored and reviewed?</b> <b>Environment / Supply Chain</b> Submitted: 01/Jun/2022	<div> <div>364 Days left</div> </div>				







# Next STEPS

**The time has come to transform your ambition into action. You've defined your objectives, understood their impact and are ready to begin your contribution to a more just, sustainable future. With big goals ahead, it's important not to lose sight of the day-to-day practices and milestones that make up the journey.**

We understand that change - no matter how positive - can be difficult, and sometimes overwhelming at times. No matter where you are in your sustainability journey, we are committed to being a resource every step of the way. As you prepare for your next steps, here are some tips from our team to yours to help make the path forward as seamless as possible.

## **Prioritise Clear Communication - Not Constant Communication**

As you begin your sustainability journey, it's vital that all the members of your organisation clearly understand your vision and your company's "why." Take a quality over quantity approach that focuses on being concise, informative and welcoming, and ensures that everyone is clear on the direction of the company and is supported along the way.



Initial conversations should be conducted by the company Board and leadership to earn trust and demonstrate commitment from the company's most senior figures. Utilise fact-based evidence that is supported by the company's values and vision of a sustainable future, as well as tangible and simple steps to reach these goals.

By linking the strategy and business objectives of the company to its vision for a more sustainable world, and ensuring every part of the organisation understands its role in achieving this, you will create an unstoppable culture of sustainable development

**FuturePlus Technology Tip** - The ambition roadmap provides clear goals and a comprehensive list of objectives that can become the foundation for sustainable change and be shared throughout your organisation as a guide and a reference.

## **Ensure Everyone Understands Their Role**

The path to sustainability is a team effort. It's important that all members of your organisation have a clear understanding of their current and future role, how they are expected to contribute and how they will benefit from the organisational changes.

Once your team understands your company's business and sustainability objectives, generate buy-in through the designation and use of 'sustainability champions.' This means identifying team members who are passionate, engaging and excited about the company's plans. Empower them to act as agents of change, and ensure you obtain regular feedback on successes and learnings that you can use to make culture stronger and more enjoyable for everyone.

**FuturePlus Technology Tip** - You can API your sustainability roadmap into leading project management software tools (such as Asana, Monday.com and Trello) or CSV into Excel or other platforms, which will allow you to distribute task ownership and establish accountability throughout the organisation.

## **Focus On The Big Picture...But Share Incremental Gains**

Research has shown that by breaking down ambitious objectives into achievable steps with clear timelines you have a far greater chance of success. By sharing purpose, progress and performance reports rooted in real time success metrics, you can motivate your team to continue their hard work, spark new ideas and refocus during challenging times.

Use your scores to understand which areas to focus on and where you can create further impact. Once you have your score, you can increase and decrease your ambition in each theme to align with your principles, as well as your commercial, organisational and external demands and requirements.

**FuturePlus Technology Tip** - As part of your FuturePlus plan, you have access to one-on-one support with a FuturePlus consultant, who can offer a wealth of knowledge, tips and solutions.

# In CONCLUSION



Babble is making solid and incremental progress with its ESG targets - it's great to see these improvements. As Babble continues along its FuturePlus Roadmap, we recommend the following steps in terms of making small gains that will soon aggregate into a much bigger picture.

**UNDERSTAND** - As a business you are starting to demonstrate that you understand what sustainability means to you, and that there are compromises to be made along the way. While consumers are increasingly demanding more sustainable business practices and capital is increasingly becoming conditional upon these practices, now is the time for sustainability to be at the top of your agenda, and an integral part of your decision making processes.

**MEASURE** - It's hard to make improvements and reductions, or to set goals, without first having an understanding of the metrics which make up your environmental and social impact, so make measuring and monitoring relevant data sources a goal, so that you can put in place improvements and report on your progress.

**MANAGE** - Remember that small wins will soon add up to a much bigger picture across your business. Having an understanding of where you need to improve is key, which is where your FuturePlus Roadmap comes in. It shouldn't be overwhelming, or become a distraction from your core vision, mission and values.

**COMMUNICATE** - Clear and transparent communication is vital in order to bring your stakeholders along with you. Be confident, honest and transparent in your actions and your achievements while acknowledging that there is always more to be done.





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# REPORT & ANALYSIS

