

KIN+CARTA

Your digital transformation partner

Kin+Carta Americas Impact Report

August 2020



We exist to make the world work better

Deeply
Connected

Always
Courageous

Instinctively
Compassionate

“For many of us, our purpose is very much aligned to being able to provide a better life for our children: more education, more opportunities, more financial freedom.

But if we hand them a world where the air is harder to breath, what’s the point of those other things?

We must make it our individual and corporate responsibility to hand over a world that is in a better state than when it was handed to us. Otherwise, nothing else matters.”

J Schwan – Group CEO, Kin + Carta plc

The Journey to Triple Bottom Line

Our commitment to creating positive impact using the B Corp framework

Over the past 12 months, Kin and Carta plc and its specialisms ('Kin+Carta') have started the journey to **becoming a true triple bottom line business**, using the **B Corp framework** to increase our focus on people and planet in addition to profit, in order to become a more socially responsible company. The overarching reason for our commitment is the confluence of two factors:

(i) the increasing size, power, and influence of companies

(ii) the fact that action is required to reduce inequality in society and mitigate against climate change and environmental damage.

We therefore consider it our corporate responsibility to run our business for the benefit of all stakeholders – **customers, employees, suppliers, communities, the environment, and shareholders.**

The adoption of the triple bottom line approach will be **integral to Kin+Carta's long-term success** as it is a key factor in driving engagement across our teams, our businesses, and with our clients, whilst providing growth opportunities for our people as well as our service lines.

Our focus is to ensure we treat all of our current and prospective employees **fairly and equitably**, providing opportunities for **development and progression** wherever possible, whilst also increasing our **engagement with our local communities** and considering how to **reduce our environmental footprint.**

In addition, we are starting to **measure and reflect** on how we can increase our **positive impact** through the products and services we provide for our clients.

This is not an easy process, **challenging existing mindsets and behaviours**, and sometimes bringing difficult decisions to the forefront. Nonetheless, it is a **necessary direction of travel**, which will result in Kin+Carta becoming an **improved, more responsible, and more successful business.**

We are **fully committed** to this journey and are looking forward to enjoying the results and sharing in the success with **all our stakeholders** over the coming years.

The Journey to Triple Bottom Line

Our commitment to creating positive impact using the B Corp framework

This report, which focuses on Kin+Carta Americas (our Kin and Carta U.S. and Argentina operations*), sets out how our business and people have made a **positive impact** over the past 12 months, and how we plan to **continue and improve** on those efforts in the coming year where possible in the current circumstances.

In this report, using the B Corp framework and assessment scoring system, as well as our own **new non-financial key performance indicators** (KPIs), we consider our people, community, customers, the environment, and governance framework. Our overarching goals, aligned with our corporate purpose, can be summarised as below:

Kin+Carta exists to make the world work better for our people, our communities, and our planet, through striving to become the best place to work, driving charitable outreach programmes, and committing to a carbon neutral and zero waste future, as well as engaging with more of our customers to solve social, ethical or environmental business challenges using technology.



Nick Zinzan

Head of Responsible Business



Carlee Jaslowski

Responsible Business Lead – Americas

Kin+Carta Americas delivers first class results for our people and our communities

- We are the digital transformation partner for the real world, combining deep industry expertise, data-intelligence, world-class engineering and seamless delivery
- Our people are our company, and they determine how we use our business as a force for good
- Through strong workers and community programmes, Kin+Carta Americas scores well in these areas of the B Corp assessment, in addition to our strong governance framework
- We are planning to improve our environment and client-related positive impact performance in the coming year

81

Kin + Carta Americas
B Corp Assessment Scores* – August 2020



34

People



18

Community



16

Governance



10

Environment



3

Customer

B Corp certification is earned by achieving a minimum of 80 points on a third party assessment that is focused on governance, workers, community, the environment, and customers. See [BCorporation.net](https://www.bcorporation.net) for more information.

*The Kin+Carta Americas assessment scores shown here comprise a weighted average of the US and Argentina legal entity scores, as internally assessed by the Kin+Carta Responsible Business team, and are not yet verified by B Lab at August 2020

During the year to August 2020, Kin+Carta Americas has made **significant progress** in all areas of impact focus



People

- New comprehensive IDEA strategy developed
- Unconscious bias training rolled out
- Engagement and diversity survey undertaken
- Gender pay gap analysed
- 401K Responsible Funding option set up



Community

- Long term charity program continued with local and international partners
- New Supplier Code of Conduct and assessment process introduced
- Worked with Hiring our Heroes and on Hackathon for Hunger on specific initiatives



Governance

- Amended company operating agreement to establish triple bottom line principles
- New Code of Ethics communicated
- Non-financial KPIs developed and introduced
- New flexible working and ethical procurement policies implemented



Environment

- Net zero carbon and zero waste to landfill targets introduced
- Environmental Management System put in place
- Focused training developed and delivered
- Scope 1, 2 and 3 emissions measured and offset



Customer

- Historic projects reviewed for positive impact
- Working group set up to explore how to increase positive impact project revenue
- Commitment to research ESG assessment criteria for client selection

Key Performance Indicators

We have selected nine metrics to track and improve on as the most important and relevant to our business, communities, and the environment

KPI	Background	2021 Target Score	Current Score	Commentary
1. Employee Net Promoter Score (eNPS)	Standard metric scored -100 to +100. We use it to track the overall wellbeing and collective feeling of our employees	+35	+31	Good score achieved in most recent employee survey – aim to at least maintain and ideally improve this level of employee engagement / happiness
2. % of employees promoted in last 12 months	Career progression is an important part of our responsibility as an employer	15%	25%	We succeeded in progressing a quarter of our workforce in the past year, and will look to continue to advance people during the more challenging current period
3. Mean gender pay gap	Calculating and narrowing the gender pay gap is a key step for us to ensure gender equality	+12%	+16%	Currently, male employees are paid on average 16% more than females, reflecting more males in senior and engineering roles. We are currently planning initiatives to reduce this gap over the medium term
4. % of employees identifying as race / ethnicity other than white*	The first step towards racial equality is to ensure proper representation	42%*	35%*	While overall representation is good in the U.S., we know that Black and Latinx groups are underrepresented, which we are looking to address through our new IDEA strategy

Key Performance Indicators

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KPI	Background	2021 Target Score	Current Score	Commentary
5. Equivalent % of net income raised for charity	We are committed to contributing to charities through direct donations and employee matching, fundraising efforts, and volunteering time	3.0%	4.3%	Strong contribution of time, money and fundraising efforts for local and international charities in the past year – maintaining this will be challenging due to economic challenges as a result of the Covid-19 pandemic, but we will continue to contribute wherever possible
6. Net no. jobs added in last 12 months	Providing new careers in emerging technology is an important part of making our communities thrive	3%	2%	We did not succeed in increasing our workforce overall this year, due to economic challenges as a result of the Covid-19 pandemic
7. % of carbon emissions offset	Passing on a healthy planet to our children is an increasingly important part of our job	100%	75%	Having measured our environmental impact, our focus in the coming year will be to improve through focus on improving energy efficiency and reducing waste and emissions
8. % of waste recycled		60%	41%*	
9. Total revenue from positive impact projects	We must continue to look for ways to use our skills to better our society and our planet	\$500k	\$0	We have defined how we can help our clients have a positive impact, and now must seek client opportunities to fulfil that goal



People: Engagement

KPIs

Team Engagement

+31

Employee Net Promoter Score (eNPS) (Mar 2020)

1 Yr Target: **+35**

3 Yr Target: **+40**

25%

Percentage of employees promoted in the last 12 months (to Apr 2020)

1 Yr Target: **15%**

3 Yr Target: **10%**

FY19/20 Achieved

- Facilitated formation of Kin Benevolence Fund to assist those impacted financially by Covid-19 through individual employee donations
- Flexible work policy implemented to allow employees to more easily balance work and life
- 401K retirement plan updated to include a responsible investment option
- New jobs board live across the Kin + Carta group to allow greater visibility on opportunities in all businesses and regions

FY20/21 Goals

- Employee share ownership plan to be implemented
- Formalise inclusion of B Corp / responsible business principles into our ways of working
- Additional financial wellbeing tools to help employees save money and pay down debt to be implemented



People: Case Study

Kin Benevolence Fund

In response to the financial impact of Covid-19, Kin + Carta facilitated the formation of the **Kin Benevolence Fund** (“the Fund”) which is overseen by Community Impact Fund, a 501c(b) U.S. registered charity, and supported by Community Bridge who act as the independent grant-making organisation for the Fund.

The purpose of this Fund is to **assist individuals** (employees, family members, employees of clients, vendors or partners of Kin + Carta) and the **broader communities** in which Kin + Carta operates within (Europe, U.S, Argentina) who provide supporting evidence of **financial distress**.

The Fund was initially seeded by a donation from our CEO, thereafter donations have been made by many other employees across Kin + Carta. **By July 2020, almost \$100,000 had been disbursed through the Fund.**





People: IDEA (Inclusion, Diversity, Equity and Awareness)

KPIs

IDEA

+16%

Mean Gender Pay Gap – % average male hourly pay is higher than average female hourly pay (Feb 2020)

1 Yr Target: +12%

3 Yr Target: +5%

35%*

Percentage of employees **identifying as another race / ethnicity to white** (Jun 2020)

1 Yr Target: 42%

3 Yr Target: 47%

FY19/20 Achieved

- Launch of group-wide diversity and inclusion event programme
- Unconscious bias training delivered to all employees
- Gender pay gap analysis undertaken
- First diversity survey undertaken across the whole workforce, including a satisfaction at work measure
- Buenos Aires office certified by the local government as a company committed to the construction of inclusive environments
- New company-wide IDEA plan developed

FY20/21 Goals

- Gender and race / ethnicity pay equity analysis to be undertaken and any resulting inequities addressed
- Develop plan to narrow gender pay gap
- Adoption of more equitable talent acquisition principles
- New supplier diversity programme
- Track representation by demographic / group at each level of Kin + Carta US
- Achieve milestone target on representation by race / ethnicity group



People: Case Study

Inclusion, Diversity, Equity and Awareness Program

Following the renewed outrage against racial injustice around the globe in 2020, Kin + Carta has committed to developing a new IDEA policy, strategy and program of action.

To be implemented from August 2020, this program includes commitments to:

- Making our team more diverse than the tech industry standard in each of our regions
- Incorporate IDEA into all employee experience policies and procedures
- Address all pay equity differences where legally measurable
- Commit to increasing supplier diversity
- Use our money, time and influence to increase diverse representation in technology
- Incorporate IDEA standards into our client services

We believe in using our platform and resources to break down structural inequality, and will work hard to achieve this as far as possible over the coming years





Community

KPIs

Charity

4.3%

Equivalent % of net income raised for charity

1 Yr Target: 3.0%

3 Yr Target: 4.0%

Economy

2%

Net no. jobs added in last 12 months

1 Yr Target: 3%

3 Yr Target: 5%

FY19/20 Achieved

- Over 1,000 hours volunteered, \$98,000 donated, and \$66,000 raised for charity*, across three main programmes:
 - Chicago Dance Marathon for Lurie Children’s hospital
 - Pay it FWD mass employee volunteering at local charities
 - Kenya community enterprise assistance
- Additional involvement with Hiring our Heroes and Hackathon for Hunger social initiatives
- Supplier Code of Conduct approved and assessment form rolled out to all suppliers

FY20/21 Goals

- Exploration and development of micro-volunteering plan to allow online donation of time
- Continue to support our main charity partners however possible in the current circumstances: Lurie Children’s Hospital, Volunteers of America, and Horizons for Youth
- Continuation and expansion of our affinity groups e.g. Women in Tech

*Comprising 909 hours in the US and 110 hours in Argentina, \$95,000 donated in the U.S. and \$3,000 in Argentina, and \$65,000 raised in the US and \$1,000 in Argentina



Community: Case Study

Pay It FWD 2019: Helping Charities in Our Community

Pay It FWD is a day when our Kin + Carta Americas employees volunteer at organisations and charities in our communities, giving our time to them for any tasks they need to achieve.

In September 2019, **165 Kin** from our U.S. and Argentina offices spent a combined **655 hours** volunteering their time at **14 organisations**.

Volunteers gave time to businesses in New York City, Chicago, and Buenos Aires – activities included environmental clean ups, tutoring children, pet shelter volunteering, craft time with hospital patients, and improving accomodation for disadvantaged university students, .

Businesses included: Fundación Sí in Buenos Aires, Tompkins Square Middle School in NYC, and PAWS, The Anti-Cruelty Society, The Chicago Lighthouse, Ann & Robert H. Lurie Children's Hospital, Cystic Fibrosis Foundation, Horizons for Youth, Lakeview Food Pantry, Open Books, Plant Chicago, Alliance for the Great Lakes, St. Catherine — St. Lucy School, Volunteers of America, and Tompkins Square in Chicago.





Environment

KPIs

Emissions

75%

% of carbon emissions offset

1 Yr Target: 100%

3 Yr Target: 100%

Waste

41%*

% of waste recycled

1 Yr Target: 60%

3 Yr Target: 100%

FY19/20 Achieved

- Agreed and approved company goals to be:
 - Net zero carbon
 - Zero waste to landfill by end of 2022
- Measurement of scope 1, 2 and 3 carbon emissions
- Environmental Management System implemented
- Worked with building landlord to establish how best to reduce energy use and increase waste recycling
- New Ethical Procurement policy developed and implemented

FY20/21 Goals

- Implement more robust waste reduction and recycling programmes
- Achieve targeted 5% absolute reduction in energy use compared to baseline year FY18/19
- Achieve targeted 5% absolute reduction in greenhouse gas emissions (scope 1, 2 and 3) compared to baseline year FY18/19
- Use new training material to educate and inform our team on how to reduce our impact on the environment



Customer

KPI

Revenue

\$0

Total revenue from positive impact projects

1 Yr Target: \$500k

3 Yr Target: \$10m

FY19/20 Achieved

- Agreed definition of positive impact project:
 - A product or service delivered to improve sustainability, increase market access, promote positive or reduce negative social / environmental / financial impact on the lives of beneficiaries, through a technological capability, product, or infrastructure where it did not previously exist.
- Evaluated current and previous projects as positive impact or not
- Working group established to explore how we can increase positive impact revenues

FY20/21 Goals

- Leverage best practice in accessibility and inclusive design to improve our products and services for all consumers. We paved the way for this through our talks at our recent FWD20 event:
[Accessibility and Inclusive Design](#)
[Designing with Empathy](#)
- Circulation of Ethical Business white paper to stakeholder network
- Commitment to explore and establish principles for positive impact client selection
- Working group to set goals for FY20/21 on client contact and proposals to be delivered



Governance

B Corp Assessment Scores

	US	Argentina
People	35	30
Community	20	11
Governance	16	15
Environment	11	6
Customer	3	3
TOTAL	85	65

FY19/20 Achieved

- Updated company operating agreement to establish triple bottom line principles
- New Code of Ethics developed and adopted
- Development and introduction of non-financial KPIs and targets to achieve in each

FY20/21 Goals

- Achieve targets in each of new non-financial KPI areas
- Kin+Carta Americas leadership group to be updated on progress against KPIs and general initiatives on a quarterly basis

Thanks

KIN+CARTA

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