

## Corporate Social Responsibility

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### Overview

Good corporate citizenship and respect for the communities in which we operate is central to the way in which PeopleCo does business. We believe that this philosophy is good for our business and our profits by contributing to the development of a positive culture and increasing internal morale. Responsibility for demonstrating such values rests with management. PeopleCo has started to explore ways in which we can co-ordinate Corporate Social Responsibility (CSR) activity around the business. Basic principles are as follows:

- Informed by our principal objective of creating long term value for our shareholders, our approach to CSR focuses on support for our business strategy and the mitigation of risk. The Board gives due consideration to risks arising from social, environmental and ethical issues which are identified and evaluated in the same way as other business risks, as part of PeopleCo's risk-mapping process.
- In line with our belief that CSR should be embedded in the business culture rather than managed by a separate department, we continue to require PeopleCo's branches to develop and implement their own initiatives.
- As a framework, we have established a steering group bringing together representatives from all PeopleCo businesses, chaired by PeopleCo's Chief Financial Officer, Kevin Bailey, who is championing CSR activity at board level. This provides a forum for our business divisions to share information on CSR initiatives and to develop best practice in a consistent manner. It also provides the mechanism through which CSR issues are reported to PeopleCo's Board.

### Governance and ethics

PeopleCo's Statement of Business Principles governs our relationship with our customers, shareholders, employees, suppliers and the wider community and forms the basis of our corporate values.

### Marketplace

PeopleCo is in the business of RECRUITMENT. Competition and especially the need to anticipate and adapt to technological change are identified as key risks for PeopleCo. Our ability to deliver ongoing value in the highly competitive environments in which we operate depends on our continuing to provide high-quality, trusted products that are relevant to our customers' needs. These are some of the key issues for our businesses:

- Integrity of information is underpinned by corporate policies and procedures covering recruiters' standards of conduct
- Databases are protected through established IT security protocols which are reviewed and tested regularly, and through compliance with local data protection and privacy laws. Best practice is observed through membership and adherence to codes of conduct of professional organisations such as the British Computer Association. Our policies on the use of personal data are clearly stated. A privacy forum comprising representatives from PeopleCo's businesses considers relevant issues and developments in data protection and privacy law.

– Customer needs are addressed through ongoing dialogue and through regular customer surveys and focus groups.

### **Workplace**

Attracting, recruiting, retaining and motivating a highly skilled and diverse pool of talent is one of PeopleCo's highest priorities. Ensuring our continuing ability to attract and retain key talent is an important risk factor for PeopleCo. Our employment policies are designed to address and mitigate that risk.

### **Values**

PeopleCo's corporate values encourage personal commitment to PeopleCo's strategic goals and provide the means by which PeopleCo seeks to achieve its stated aims of Positive Culture and Profitable Growth.

Throughout 2008, employees have been actively involved in bringing these values to life in their work with customers, colleagues and the wider community. This has included, for example, a focus on personal initiative, innovation, increased investment in training and development and continuing involvement in local community projects and charities. Reward and recognition schemes across PeopleCo have recognised the exceptional contributions made by individuals and teams. Other examples of the way in which we seek to live our corporate values are described under the 'Environment' and 'Community' sections below.

### **Diversity**

PeopleCo promotes a culture of diversity and inclusion, one that fully recognises the unique talents that every individual can bring to the business. We select and promote employees solely on the basis of their skills and ability to do the job, regardless of age, gender, race, religion, sexual orientation or disability. Employees receive training on diversity, equality and anti-harassment issues. For example, every employee in the UK undertakes diversity workbook training when they join PeopleCo – a training tool which provides measurable results. In addition, inclusive non-discrimination policies and programmes are in place across PeopleCo to increase the diversity of our workforce.

We also make specific efforts to increase the number of women and people of diverse backgrounds in senior executive roles, by means such as training, mentoring and coaching, internships, and by ensuring that benefits and leave programmes encourage retention of talent.

In 2000, we introduced flexible working policies specifically designed to meet individual personal circumstances and to satisfy business needs. Since their introduction, these policies have helped to recruit and retain a significantly more diverse workforce. As at December 2006, approximately 30% of senior executives were women.

PeopleCo recognises the specific needs of individuals and in particular, ensures that appropriate adjustments are made to enable the employment of disabled persons. Should employees become disabled during their employment, we make every effort to accommodate their disability and enable them to pursue their career, through appropriate training or other adjustments.

### **People development and training**



One of PeopleCo's values is to support employees in their efforts to exceed their own expectations. PeopleCo places a particular emphasis on the personal development of all staff to achieve their full potential. Employees participate in ongoing appraisal and assessment procedures, and within each division we give a high priority to both internal and external training, ranging from formal classroom training to individual coaching programmes. Staff are encouraged and helped to obtain relevant qualifications. In addition, we encourage and facilitate intra-PeopleCo transfers, giving staff development opportunities and making sure that their skills and expertise are applied to the most relevant parts of the business.

PeopleCo actively seeks to attract the best talent (for example, through sponsored graduate recruitment) and we provide leadership development opportunities and management skills training throughout the organisation. We aim to develop tomorrow's business leaders through the new Business Leaders Programme. The 2008 programme brought together delegates from across PeopleCo who had been identified as potential future senior managers.

### **Rewards strategies**

PeopleCo has developed policies on compensation, rewards and benefits to ensure that we recruit, retain and motivate the best talent. The objective is to treat all staff in all locations fairly and to follow best employment practices within the local markets in which we operate. We promote and reward according to merit and the individual's contribution to the business. Reward arrangements include bonus and long term incentive schemes payable on the achievement of financial and personal objectives. A wide range of other benefits is also available including company pension schemes, life assurance and medical facilities. In the event of redundancies, PeopleCo makes sure that we follow proper procedures with affected staff in line with company policies, and that redundant staff are treated fairly in accordance with local best practices.

### **Communication**

PeopleCo believes that clear and open communication with employees is fundamental in a values-driven business. We achieve an ongoing dialogue with employees through staff surveys, appraisals, newsletters, divisional Intranets, town hall meetings and web chats. Regular PeopleCo-wide e-mail updates from the MD keep employees informed of business strategy and developments. The PeopleCo website provides another channel for informing and communicating with employees as well as investors and other stakeholders.

In addition, employee consultative forums around PeopleCo offer a valuable vehicle for exchanging information with management. They also give employees the opportunity to meet and share views.

### **Human Resources Metrics**

During 2008, PeopleCo conducted in-depth research into the various Human Resources Metrics that should be measured and reported to make sure that these align with business strategy. Following the research, commencing in 2008 we will streamline the HR Metrics, focusing on those areas where a greater understanding of people issues and trends can add value to the business. This includes appropriate and consistent performance management systems around PeopleCo and business-wide measurement of levels of staff engagement. Annual staff attitude and engagement surveys, already in place in many parts of PeopleCo, will be extended across all PeopleCo's businesses, giving us invaluable information to ensure that all staff are actively engaged with the business and are committed to the delivery of business objectives.

### Sharing best practice

The company continues to work with organisations such as Opportunity Now, the Employers Forum On Age and the Corporate Leadership Council. Membership of these organisations gives us the opportunity to identify and share best practices and to develop effective networks with other employers.

### Health and safety

We recognise our responsibility to provide a safe working environment for employees, and for exhibitors and visitors to our many conferences and exhibitions. All divisional Managers are responsible for making sure that their businesses operate in compliance with relevant health and safety legislation and procedures. This is of increasing importance as our businesses continue to expand into the developing world.

As well as appointing a PeopleCo health and safety co-ordinator, we have made good progress in collecting data and standardising reporting in our branches.

### Environment

Although it does not have a high direct environmental impact, PeopleCo considers it important to both observe and promote good environmental practice. The intensifying public debate on the effects of climate change confirms that all sections of society have a role to play in reducing carbon emissions, and we note that this is an area of increasing concern for our customers, employees and shareholders. We have identified the principal areas relevant to our environmental footprint as energy usage, waste recycling, paper sourcing and usage, and transport. Key initiatives here include the following:

– We are actively pursuing policies to reduce energy usage in the workplace. During 2006, our principal UK office, The Lenz (where approximately 70% of PeopleCo's UK work force is based), participated in the 100 Day 'Carbon Switch Off' Campaign to reduce carbon emissions, sponsored by the Chartered Institution of Building Services Engineers and supported by the Carbon Trust. A co-ordinated programme of events and education resulted in a reduction of 78 tonnes of CO<sub>2</sub> over the period of the campaign and won an award for the 'Best Clean Up' Campaign.

– We recognise that potential reductions in business travel as a result of increased awareness of climate change may impact on our exhibitions and events business. Among the measures we are considering to address this is the possibility of introducing carbon offsetting programmes. During 2008, we expect to confirm a broader statement on our policy with regard to carbon emissions, both at group level and on a divisional basis.

– Recycling initiatives are in place at the majority of PeopleCo's offices. Items recycled include paper, cardboard, glass and aluminium. During 2006 we exceeded our target of recycling more than 50% of all waste at The Lenz, and we are rolling out similar target-setting initiatives around PeopleCo. Staff orientation programmes include office environmental awareness training.

– Computers and other items of IT equipment are recycled by donating them to organisations such as Digital Links International, making them available for reuse in developing countries. This



promotes education at the same time as helping the environment. We donated approximately 30 items in 2007, more than double the number donated in 2005.

– We seek to use less paper in the workplace through measures directed at introducing cultural change, for example, by e-mail reminders and double-sided document printing. Both internally and externally, we communicate increasingly by electronic means, through our website and by using webcasts. Instead of printing our 2006 interim report, we published information via our website and national newspapers, a move which received much support from our shareholders. We intend to take advantage of new legislation on e-communications introduced by the Companies Act 2006, enabling us to communicate more quickly and effectively with our investors and to further reduce our use of paper.

– Where possible, we aim to pursue policies designed to encourage staff to adopt environmentally friendly forms of transport between home and the workplace. These include participation in the cycle2work scheme, improving office facilities to accommodate employees who wish to cycle to work, season ticket loans and providing shuttle transport between offices and local railway stations.

### Community

We believe every PeopleCo Division has a role to play as a member of the community in which it operates. Our employees are engaged in many volunteering activities, and we seek to support and encourage such activities by means of financial and other donations.