

Ninety CIC Ethics Board

2016 Status Report

1. Purpose of the Board

- Ensure that ethics and a principled way of doing business are intrinsic and central to how Ninety operates as a socially-responsible organisation
- Provide advice to the Directors on matters of an ethical, social and environmental nature as it relates to the Ninety ecosystem and its business and charitable dealings including the five current companies within the Group and the Ninety Foundation which is now within the scope of the Board
- Review and make recommendations on the distribution of profit to employees and on the remuneration of Directors

2. What We Do

- Hold management accountable to ensure that the ethical principles are adhered to
- Review and challenge business strategy, business content and ways of working
- Receive feedback from clients and employees on matters pertinent to ethical behaviour and distribution of profits

3. How We Do It

- Annual Board meeting where management present during the previous twelve months of operations evidence how the defined culture has been put into practice
- Receive reports on business performance, approach and client/employee feedback
- Provide ethical advice and opinion on specific situations from time-to-time at the request of business management
- Produce an annual report on findings and make recommendations to the Ninety management team on actions which the Board agree be taken over the following year

4. 2016 Review

4.1 Client

- Board positive that client base has continued to grow, with greater exposure to the values and principles of Ninety
- Encouraging that a diverse pipeline is in place with a growing balance of clients
- Client satisfaction is continuing to grow with a greater number of 'strategic partner' relationships
- Board was very pleased to see direct client feedback, noting the very positive position regarding quality of Ninety work, strong engagement and high levels of trust

- Good to see that Ninety management is looking to increase engagement of clients in choosing the causes that Ninety profit donations go to
- Engagement also shown through the opportunity to work with like-minded clients directly in social plan activities/CSR agendas, partly as an outcome of the partnership with Social Enterprise UK

4.2 Employee

- Senior management representation at the 2016 Ethics Board from the CEO/Founder and a Non-Exec Director, with input from the Ninety Foundation Chair (not present)
- Business model has been simplified through partner/associate model and Board discussed how to maintain appropriate levels of cultural belonging to the Ninety community
- Board recommended that Ninety continue to mature the partner model to ensure fair rates to partners and best service/value to clients
- Recognition that Ninety is keen to support flexible working e.g. working mothers at home, and good to see that it is supporting workforce diversity, e.g. employing an intern
- Board welcomed the greater equality now in place for profit distribution among employees
- Noted employee feedback that they are broadly happy, and discussed how to make more of the total package Ninety offers to employees including the vision, culture, levels of empowerment

4.3 Financial

- Approved proposed profit share amount
- Approved proposed remuneration of Directors based on targets achieved
- Business modelling has given Board confidence that the growth targets can be realised and encouraged by levels of cashflow strength
- Board recommended that Ninety must continue to be transparent on where funding/donations are going and over time for the causes/charities to report back on impact

4.4 Process

- Discussion on how the business could focus more on impact/lives changed due to the Ninety donations, rather than the financial amounts given alone
- Discussed the social narrative for Ninety, and Board recommended condensing the priorities for social investment focus across clients, employees, commercial
- Board encouraged that clients can play a role in selecting donation causes with the recommendation that the process needs to be very clear with causes pre-vetted beforehand
- Recommendation that Ninety Foundation governance will need to widen trustees and expertise over time as the governance role grows, and to look at producing an impact report

- As with previous years, there was no regulator (CIC) engagement in the year out-with of the required submissions

5. Summary

- 2016 position has not raised any 'red flag' concerns from an Ethics Board viewpoint
- Ninety has focused hard on ensuring the sustainability of its model through a greater diversity of clients, a simplified business model and a strong cashflow position
- The social narrative and ways of working are maturing as Ninety progresses
- Excellent to receive direct feedback from several clients with the depth and quality of feedback being of particular note, reflecting the regard that Ninety is held by clients
- The Board now has greater visibility of the Ninety Foundation and meaningful discussions on the Foundation itself, causes supported and impact assessment of this
- The interaction with the Foundation and with management continues to be positive and the Ethics Board will continue to support/challenge to enable Ninety to achieve its vision