
Report 2006 and 1st half 2007

Network objectives and priorities

It was defined as the primary aim of the network with beginning of 2006 to increase the awareness of the UN GC and its 10 principles in Austria, as well as the connected Millennium Development Goals. This will be the basis for activities in the most important issue on the agenda, that is to increase the number of participants. respACT and the network members will support each other in the promotion of the UN GC in Austria.

Organization

The focal point is situated at the office of respACT - austrian business council for sustainable development, a membership association currently. The organisation was founded as Austrian Business Council for Sustainable Development in 1997 and since 2007 joined forces with respACT austria to create a new powerful platform for the promotion of sustainability and CSR. Currently there are about 100 members.¹

The Austrian Global Compact network on the other side currently counts 17 members (see statistic below), of which 7 are also members of respACT.

There is no steering committee designated only to issues of the GC Network, but these are discussed together with in the general assembly (once a year) and the board meetings (4 times per year). Upside of this organisational structure is, that it is easy to include non GC members in the discussion about the UNGC, the downside is, that sometimes they might need their own (closed) space for discussion. Until today, not resources (financial or personal) were available to provide this.

Participation

Please see the chart and list at the end of this document, for members and their structure regarding size.

There are no government or NGO actors member in the network, although there are frequent contacts with government representatives of all ministries. Overall respACT has very good relationships with the important stakeholders on this issue in Austria.

¹ An English overview can be found on our Website:
<http://www.respact.at/content/respact/plattform/en/index.html>

Activities

respACT is encouraging all its members with international activities to join the UN GC.

For this reason we have published (and meanwhile updated) a folder in German and English (find the English print version attached) that was and is distributed among Austrian companies.

The Global Compact was presented at the first (2006) and second (2007) CSR-Day in Vienna with over 300 participants each. Apart from that we provided best-practice workshops on specific issues, e.g. supply-chain-management or challenges of globalisation, that were closely linked to the 10 principles of the UNGC.

Apart from that the Focal Point is the link between New York and member companies, and communicates with members on a regular basis and keeps them updated on all UN GC initiatives.

Progress

Major challenge in promoting the UNGC among Austrian companies is still, to show it's practicability for companies in daily business. It is intended to do this, by concentrating on COP facilitation and providing positive examples of members for a broader audience.

On November 8, 2007 respACT will host a side event to the ISO Working Group Meeting in Vienna. This will also be used to promote the UNGC and it's members to a broader audience.

Apart from that, the UN GC will again be promoted at the 3rd CSR-Day (May, 15 2008) and during workshops for companies. Networking opportunities for members and interested enterprises will also be provided by respACT in 2008.

Members (as of September 2007)

Adecco Austria
 Austrian Post
 Conness Energieberatungs-Planungs- und Betriebs GMBH
 Energy Cabin Productions - und Vertriebs - GmbH
 EVN AG
 Hauska and Partner International Communications
 ikp - Kommunikationsplanung und Öffentlichkeitsarbeit GmbH
 ImPart Handles GmbH
 IMS Incoming Marketing Services

Oesterreichische Kontrollbank AG
 OMV Aktiengesellschaft
 Rollenbau GmbH
 software-systems.at
 Teak Holz International AG
 The CSR Company Ges.m.b.H
 Vision Card GmbH
 Wienerberger AG

Network Fact Sheet

Network Management								
Annual Network Meeting (yes/no)	COP facilitation (yes/no)	Helped to facilitate other integrity measures (e.g. complaint mechanism) (yes/no)	Website (if yes, URL)	Name Focal Point	Steering Committee (yes/no)	Steering Committee has non-business participants (yes/no)	Secretariat hosted by	Member fees (if yes, amount for Company/ SME/ other)
yes	no	no	yes ²	respACT	yes: Board	yes	respACT	yes

Number Local Network Participants										Government participation in Network
TOTAL	MNCs	SMEs	Micro-enterprises (<10 employees)	Business Organization	CSR Organization	Labour Organization	Civil Society organizations	Academic Institution	Other Stakeholders	Yes/ no
17	6	4	7	0	0	0	0	0	0	no

Number of Activities					
Outreach Events	Learning Events	Policy Dialogues	Partnership projects	Cooperation with other Local Networks	Other activities
2	4	0	0	0	Regular Publication and Newsletter

² <http://www.respect.at/content/respect/plattform/partner/article/1484.html>

Editorial

Dear Reader

Across the world, 852 million people are suffering from hunger. That is ten million more than in 2003. The situation has deteriorated dramatically since 1970 in the Sub-Saharan region of Africa in particular as a result of crop failures, disease and poor governance. Through its Millennium Goals (www.un.org/millenniumgoals), the United Nations intends to halve the number of people living in such misery by 2015. The world's biggest voluntary CSR initiative is making a considerable contribution to the success of this ambitious plan. The UN Global Compact is an international network of companies that have come together to implement 10 principles for a more social-just and fairer world.

Since January 2006, respACT has been the Austrian hub for this unique Compact. As the Austrian network for the UN Global Compact, we are delighted to have been tasked with the remit of cooperation partner. The following presents further details of this unique initiative and its Austrian members. By participating, companies with existing CSR activities have the opportunity to also raise their profile in the international arena.

Your respACT austria team



UN Global Compact: the history of the Global Compact

"Unless globalization works for all, it will work for nobody," said UN Secretary General Kofi Annan on January 31, 1999 at the World Economic Forum in Davos. For the first time, he called upon business representatives from all over the world to become involved in setting up social and ecological cornerstones to support a new global economy. The aim was to make business part of the solution to meet the challenges posed by globalization.

The idea behind the UN Global Compact, which includes representatives from the private sector as well as the United Nations, labor associations and civil society, of promoting universal social and environmental principles was born. In July 2000, the operating

phase was launched at the headquarters of the United Nations in New York.

Success story

Today the UN Global Compact is the biggest CSR initiative in the world, with more than 2,700 participants from all sectors of business, labor associations and organizations from more than 90 countries.

"The Global Compact has the potential to be a truly global platform, with great appeal not only in the industrialized countries but also in the developing world," said Kofi Annan. In Austria, seven companies are already involved with constructive dialog.



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Working together towards a common goal

In Austria, OMV and Wienerberger were the first companies to commit themselves to the Global Compact in 2003. They were followed by Adecco Austria, EVN, software-systems.at – and most recently, Conness Austria and EnergyCabin.

Around the world, both multinationals from the industrialized nations and small companies from emerging countries are engaged in the Global Compact. "It is vital that we become proactive to turn the challenges such as the supply of water and energy in Africa into opportunities," explained the Director of the UN Development Program (UNDP), Klaus Töpfer.

Think global – act local

In addition to the corporate participants, there are around 40 active national and regional networks across the world. These have evolved to support the Global Compact in a local context through dialog, education, implementation of the principles and partnership projects and to promote quality assurance. In Austria, this task is performed by respACT austria.



» For an international company like Wienerberger it is important to be transparent for external stakeholder groups. By signing the UN Global Compact in 2003, we made an official commitment to corporate social responsibility. We actively champion ethical corporate conduct and ensure rigorous implementation of the ten principles of the Global Compact for good corporate citizenship throughout the whole Wienerberger Group. To date, this commitment has been very positively valued by the public. «

Wolfgang Reithofer, CEO Wienerberger

» The profile of the Global Compact has increased in recent years, particularly in the financial sector. Financial analysts are taking more and more notice of a company's voluntary efforts in relation to the environment, social issues and corporate governance in their company risk assessments. Pension funds managing assets of over four billion US dollars are participating in the "Principles for Responsible Investments" initiative launched this year, which will reinforce this trend. We hope that in the next few years, participants in the initiative will set even greater store by the quality of implementation and we are working particularly closely with our local networks to make the global values of the Global Compact relevant at a local level. We are delighted that a network has been established in Austria as well and hope that in a regional context, a lively exchange with other networks in Western and Eastern Europe will make the ten principles of the Global Compact a standard for all socially responsible companies. «

Birgit Errath, UN Global Compact office, New York



» In our Code of Conduct we have committed ourselves to corporate responsibility in line with the triple bottom line (economy, environment, social issues). Our participation in the UN Global Compact demonstrates to the outside World that we also live these values and strive to implement them. We see the UNGC as a great opportunity to measure ourselves against other larger global companies and to learn from them. We are involved in a wide range of measures based on the UNGC and the Millennium Development Goals such as sustainable education and health projects in Pakistan and the Future Energy Fund in the renewable energy sector. «

Wolfgang Ruttenstorfer, Generaldirektor OMV



» By signing up to the UN Global Compact in September 2005, we have also enshrined the universal standard for economic, social and environmental issues for the whole company as a sign to the outside world. Although EVN already operates in line with all ten principles of the Compact as the company lives up to its responsibility, we nevertheless see this as an incentive to further improve and in particular, to systematically include all companies in the EVN Group in this commitment. «

Burkhard Hofer, Chairman of the Management Board EVN



» software-systems.at has been actively involved in the UN Global Compact initiative since 2004. The Austrian market leader in the field of international fund data and financial data research and operator of the Finance & Ethics Academy knows that ethical criteria are becoming more and more important in the selection of investments. This trend is confirmed by the sustainable investments of software-systems.at which also take account of the Global Compact. «

Richard Lernbass, MD of software-systems.at



» In our sector, recruitment consultancy, we have to take particular account of principle No. 6 – the elimination of discrimination in employment and occupation. Here we have established a Code of Conduct which prohibits any type of discrimination. Furthermore, our staff undergo continuous training to prepare for difficult situations such as a customer only wanting to recruit Austrians. We recently set up the "whistle blower" hotline which employees can call if they feel they are suffering from sexual harassment or have seen this behavior going on around them. «

Stefano Longo, Managing Director Adecco GmbH



» Our commitment to the principles of the UN Global Compact, EnergyCabin® refers very closely to issues of environmental protection. As a developer, producer and distributor of mobile systems for the use of renewable energies, EnergyCabin® is concentrating on establishing the widespread and easy use of these energies in order to be able to meet the challenges of the global growth in demand for energy on a sustainable basis. EnergyCabin® has made the ninth UNGC principle in particular – to encourage the development and diffusion of environmentally friendly technologies - THE priority environmental policy mission at the center of all its corporate operations. «

Karl Heinz Lesch, Managing Director of EnergyCabin

How can companies benefit?

Sustainable investment funds now account for a volume of around 8 billion euros in the German-speaking market. In the first eight months of 2005 alone, this investment segment saw growth of 28 per cent according to figures published by the Sustainable Business Institute (SBI). Sustainable investment is therefore no longer a niche product. Investors have recognized that responsible companies are more successful in the long term and are beginning to reward this to a greater and greater extent.

However, participation in the Global Compact brings with it many other additional advantages:

- Companies already active in Corporate Social Responsibility (CSR) can use their corporate sustainability reports to also communicate their Global Compact activities at negligible expense.
- Participating companies are managing risk by taking a proactive stance on critical issues.
- The development of practical solutions for current problems relating to globalization, corporate social responsibility and sustainable development in a multi-stakeholder context.
- Access to the global influence and the mobilization power of the United Nations with respect to governments, companies, labor organizations, civil society and other interest groups.
- Participants exchange ideas and information of successful approaches and experience between participants.



Ten principles for a better world

The Global Compact is based on ten principles which participating companies must uphold. These cover human rights, labor standards, environmental protection and since 2004 anti-corruption.

Human rights

The Secretary General calls upon international business leaders:

Principle 1: to support and respect the protection of international human rights in their sphere of influence and

Principle 2: to make sure that their own companies are not complicit in human rights abuses.

Labor standards

The Secretary General calls upon international business leaders to advocate the following:

Principle 3: to uphold freedom of association and the effective recognition of the right to collective bargaining,

Principle 4: to eliminate all forms of forced labor,

Principle 5: to effectively abolish child labor and

Principle 6: to eliminate discrimination with respect to employment and occupation.

Environmental protection

The Secretary General calls upon international business leaders:

Principle 7: to support a precautionary approach to environmental challenges,

Principle 8: to undertake initiatives to promote greater environmental responsibility,

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

Anti-corruption

Principle 10: to work against all forms of corruption including extortion and bribery.

Membership of the Global Compact

Your company would like work towards a fairer world and assume its corporate social responsibility as part of the Global Compact

Participation criteria for companies:

- The managing director or CEO sends a letter to the Secretary General Kofi Annan, preferably endorsed by the Management Board, expressing support for the Global Compact and its principles (address: United Nations, New York, NY 10017; Fax: +1212-963-1207)
- The company sets in motion changes to its business operations so that the Global Compact and its principles become part of strategy, culture and day-to-day operations.
- The company will publicly advocate the Global Compact and its principles through its press releases, speeches and similar forms of communication.
- In its annual report, the company will describe how it is supporting the Global Compact and its ten principles. This "Communication on Progress" is an important tool



with which to render public account of how the company is implementing the Compact.

Contact and advice:

respACT austria, Dr. Werner Mikulitsch,
Contact: +43 (0)1 710 10 77-13, w.mikulitsch@respact.at

Useful books

„Leading the Way in communication on progress“



Short practical guide to implementing and communicating the 10 principles of the Global Compact. Tips and experiences from many participating companies giving step-by-step help on how to best structure your "communications on progress".

„A Guide for Integrating Human Rights into Business Management“



Comprehensive information guide on setting up an internal Global Compact strategy – indicating risks and opportunities on implementation and tips for organization.

The brochures are available as downloads from:
http://www.unglobalcompact.com/NewsAndEvents/recent_publications.html

Austrian Global Compact participants:



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