



Australian Centre for Corporate Social Responsibility

Raising the Bar: Leading Sustainable Business in 2008

Conference Report

20 February 2008

Australian Centre for Corporate Social Responsibility

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ACCSR's 2nd Annual Conference
Raising the Bar: Leading Sustainable Business in 2008
20th February 2008

Hosted by:



In collaboration with:



Sponsored by:



Australasian
Compliance
Institute



**CHARTERED SECRETARIES
AUSTRALIA**

Leaders in governance

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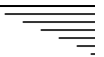
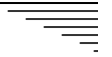


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Introduction

It is with pleasure that I introduce this report on the conference, "Raising the Bar: Leading Sustainable Business in 2008".

ACCSR aims through this conference to contribute to and foster public discussion about the role of business in society. This year we have taken as our inspiration the United Nations Global Compact principles. The Principles are in essence principles for corporate social responsibility. Derived from international agreements related to environment, human rights, labour and anti-corruption, the UN Global Compact provides a moral road map for business behaviour that is at the same time, enormously practical. The conference sessions focused on how business can implement the ten universal principles of corporate social responsibility contained in the UN Global Compact.

ACCSR is a signatory to the UN Global Compact Principles and we strongly encourage other Australian organisations to do likewise.

I am very grateful to our host, Westpac, for its support of this conference for the second time - through hospitality in making a wonderful conference facility available and through good advice and assistance in developing the conference program.

I would like to thank the UN Global Compact for collaborating with us to put together the conference. I'd also like to thank our supporting sponsors, CPA Australia, the Australasian Compliance Institute and the Chartered Secretaries Australia.

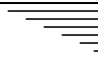
I would also like to thank our conference chair, Paul Hohnen, Principal of Sustainability Strategies in Amsterdam. Paul made his fifth trip to Australia under ACCSR auspices to chair this event. He has become a valued part of our international network and faculty we look forward to hosting him again in future.

The Australian Centre for Corporate Social Responsibility is a small company with a very big mission – to help organisations become more socially responsible. We do this in several ways – through our research and advisory services, through our learning and executive development programs, and now through our annual conference as well.

Speeches and presentations are available on the ACCSR website (please see www.accsr.com.au).

This report is only possible because of the work of our volunteer reporting team, for whose efforts I am deeply grateful. The individuals are acknowledged throughout this document for the sessions they covered. This report was collated and edited by ACCSR's Program Manager, Kate Niblock-Siddle.

Dr Leeora Black
Managing Director
27 February 2008



About ACCSR

The Australian Centre for Corporate Social Responsibility is Australia's leading specialist corporate social responsibility services provider. Our advisory, learning and research services in CSR help a wide range of clients from global business leaders to industry associations, public sector entities and non-government organisations.

Established in 2003, Managing Director Dr Leeora Black founded the firm with the mission of supporting companies to achieve superior social performance that helps drive business success.

Adopting a capacity building approach, ACCSR helps organisations to identify and understand their social responsibilities, capacity and impact and develop strategies and tactics to reduce social risks and improve both performance and social responsiveness.

ACCSR's approach is grounded in the disciplines of strategic management and organisational change management, applied to the field of organisation-stakeholder relations.

For more information see www.accsr.com.au

About the UN Global Compact

The Global Compact is a framework for businesses that are committed to aligning their operations and strategies with ten universally accepted principles in the areas of human rights, labour, the environment and anti-corruption. As the world's largest, global corporate citizenship initiative, the Global Compact is first and foremost concerned with exhibiting and building the social legitimacy of business and markets.

The Ten Principles of the UN Global Compact:

Human Rights

- Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights; and
- Principle 2: make sure that they are not complicit in human rights abuses.

Labour Standards

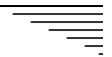
- Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;
- Principle 4: the elimination of all forms of forced and compulsory labour;
- Principle 5: the effective abolition of child labour; and
- Principle 6: the elimination of discrimination in respect of employment and occupation.

Environment

- Principle 7: Businesses should support a precautionary approach to environmental challenges;
- Principle 8: undertake initiatives to promote greater environmental responsibility; and
- Principle 9: encourage the development and diffusion of environmentally friendly technologies.

Anti-Corruption

- Principle 10: Businesses should work against corruption in all its forms, including extortion and bribery.



Conference Announcement: ACCSR and La Trobe University partnership

ACCSR and La Trobe University Graduate School of Management are partnering to advance education in CSR. The partnership's first project is to develop a higher degree in corporate social responsibility by 2009. The announcement was made by Dr Leeora Black, Managing Director of the Australian Centre for Corporate Social Responsibility and Professor Geoffrey Durden, Head of School at the La Trobe University Graduate School of Management.

Currently, if you wish to further your study by enrolling in a Graduate Certificate in Business Administration (GCBA), La Trobe University's Graduate School of Management will recognise four days of ACCSR workshops and an assessment component as one elective unit towards the GCBA (subject to students meeting the entry requirements).

Requirements for advanced standing for workshops conducted by ACCSR into the Graduate School of Management's GCBA:

- **Certificate of Completion**

4 days of the ACCSR program

- **Fee**

\$500 payable to GSM

- **Assessment**

Research project of 3,000 words

- Topic: Develop a business case for CSR to be integrated into an organisation.
- Guidelines: The organisation can be your workplace, an actual organisation or a theoretical organisation. The participant is to apply the insight gained from participating in ACCSR workshops.

The report should discuss:

- The drivers of CSR
- The processes to be used in the integration of CSR into the business
- Expected outcomes and
- Stakeholder engagement

The report must be referenced and show the sources used in writing the report.

For more information contact:

Dr Suzanne Young

Director Executive Education and Consultancy &

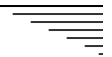
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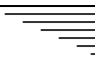
Raising the Bar Program

	Raising the Bar: Leading Sustainable Business in 2008 February 20 th	
Welcome	Dr Leeora Black to welcome guests and thank host, Westpac, introduce Paul Hohnen as chair of the conference	
Session 1 8.30am 9.10 am	–	PAUL HOHNEN Chair, brief introductory remarks. Why this conference is being held, overview of program, outcomes sought.
The Big Picture Session chair: Paul Hohnen		Using the Global Compact as the framework, the conference brings legislators, business, labour representatives, academics and NGOs together to survey the most pressing sustainability issues for Australia in the coming decade, and to identify effective responses.
8.40am 9.00am	–	Opening Address: Gail Kelly, CEO, Westpac
9.00am 9.10am	–	Georg Kell, Executive Director, UN Global Compact What is the UN Global Compact and what is its relevance for Australia in 2008? (Speech read by Paul Hohnen)
Session 2 Environment 9.10am 10.50am	–	Session description: In Australia, climate change and water use are among the most urgent issues that require co-ordinated responses from business, government and civil society. The environmental principles of the UN Global Compact provide an entry point for business to address the key environmental challenges. In particular, the principles direct activity to areas such as research, innovation, co-operation, education, and self-regulation that can positively address the significant environmental degradation, and damage to the planet's life support systems, brought by human activity. Representatives of these three sectors will outline the challenges and appropriate policy and operational responses.
9.15am 9.30am	–	Lisa Hunt, Group General Manager Australia, Transurban The scope of a company's responsibility is fundamental to the business response to climate change. Lisa Hunt will set out toll road operator Transurban's experience in making sense of potentially enormous indirect impacts.
9.30am 9.45am	–	Gavin Jennings, Minister for Environment, Climate Change and Innovation (VIC) Government set the policy and regulatory frameworks which ensure environmental protection – and economic prosperity. What are the issues, the conflicts and the policy settings that best promote environmental responsibility for business?
9.45am 10.00am	–	Gareth Edgecombe, President, Coca-Cola South Pacific As a company highly dependent on quality water supplies, Gareth Edgecombe will discuss Coca Cola's approach to reducing water scarcity and enhancing water quality and discuss the implications for Australia.
10.00am 10.15am	–	Campbell Hanan, Group Executive, Investment Portfolio, Investa Investa is a world leader in sustainability and has been rated by Citigroup as the equally best placed company on the ASX100 to withstand the future impact of climate change. Campbell Hanan sets out how Investa is able to integrate sustainability, efficiency, innovation and profitability.

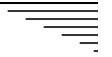
10.15am 10.30am	-	Don Henry, Executive Director, Conservation Foundation, Australian	With business increasingly on-side environmentally, what is left for NGOs? The ACF has been an active advocate for 40 years, Don Henry offers a critical perspective and experience of research, consultation, education and partnerships which work.
10.30am 10.50am	-	Paul Hohnen	Questions and discussion Session summary

10.50am- 11.20am	Morning Tea and networking		
Session 3 Anti- Corruption	Session description: Australia has taken a firm stand against bribery and corruption. It is a signatory of both the UN Convention Against Corruption and the OECD Convention on Combating Bribery, and with domestic legislation.		
11.20am – 12.30pm	Despite this, corruption is a significant competitive issue in many of Australia’s markets. What are the main problems faced by business in relation to corruption? How far does Australian law apply, and what could the Australian government do to help ‘raise the bar’, both at home and abroad? How are businesses helping advance internationally-agreed principles?		
Session chair: Alex Malley, President, CPA Australia			
11.25am – 11.40am	Frank Costigan QC, Chair, Transparency International Australia	The UN anti-corruption conventions are far more relevant to Australian businesses than often appreciated. A barrister for 50 years, Frank Costigan will argue the case for greater attention by business to international anti-corruption framework and tools.	
11.40am – 11.55am	Martin Tolar, CEO Australasian Compliance Institute	Moving to the domestic scene, Martin will outline the role of Australian standards in helping to combat corruption and describe how compliance, CSR and other managers will increasingly work together in the future to combat corruption.	
11.55am – 12.20pm	Jane Kittel, General Manager, Westpac Pacific Banking and Ross Hammond, Managing Director, Westpac Papua New Guinea	Real life examples of bribery and corruption and what business can do about it.	
12.20pm – 12.30pm	Alex Malley, President, CPA Australia	Questions and discussion Session summary	
12.30pm – 12.50pm	Special Keynote Speaker: Sharan Burrow, President, Australian Council of Trade Unions		
12.50pm- 2.00pm	Lunch and networking		
Session 4 Human Rights	Session description:		
2.00pm – 3.35 pm	With a strong local legal framework and social safety network that generally prevent the worst human rights problems, human rights can be neglected by company executives. Certainly the Global Compact principles on human rights can be difficult for Australian firms to interpret and implement. But human rights issues can and do arise in business and society relations, with profound consequences. In 2005 five Australian and overseas NGOs brought a complaint against the		

Session chair: Paul Hohnen	Federal Government's immigration detention services provider, GSL Ltd, under the OECD Guidelines for Multinational Enterprises. GSL operated the Baxter Detention Centre, which has now closed.	
	For the first time key participants and expert commentators will come together in a public forum to examine what happened – a case study dealing with thorny human rights issues with lessons for other businesses and their stakeholders.	
2.00pm – 2.15pm	David Kinley, Inaugural Chair Human Rights Law, Sydney University	Professor David Kinley is one of the world's leading human rights experts. He will describe the legal parameters and challenges in this case.
2.15pm – 2.30pm	Serena Lillywhite, Manager Sustainable Business, Brotherhood of St Laurence	Serena Lillywhite will outline why the complaint was initiated by the NGOs, the aims, experience and lessons learned.
2.30pm – 2.45pm	Tim Hall, Director of Public Affairs, GSL (Australia) Pty Ltd	GSL agreed to implement changes to ensure they operate under international human rights standards. Tim Hall will reflect on this process, and especially the lessons for other businesses.
2.45pm – 3.00pm	Patrick Colmer, Australian National Contact Point, OECD Guidelines for Multinational Enterprises, and General Manager, Foreign Investment and Trade Policy Division, Department of Treasury.	The OECD Guidelines for MNEs are the only multilaterally endorsed and comprehensive voluntary principles and standards for responsible business behaviour. The ANCP, housed within the Department of Treasury, ensures their effective implementation. The outcomes of this case are widely regarded as an exemplar of effective process. Patrick Colmer will set out how that was achieved.
3.00pm – 3.15pm	Graeme Innes, AM, Human Rights Commissioner (HREOC)	Graeme Innes will describe the HREOC's perspective on the issues dealt with in this case study and lessons learned.
3.15pm – 3.35pm	Paul Hohnen	Questions and discussion Session summary
3.35pm – 4.00pm	Afternoon Tea and networking	
Session 5 4.00pm - 5.30pm	Session description: This session brings together the themes of the day and poses the question: what will be the big issues in 2008 for Australian business?	
Raising the Bar - CEO Panel		
4.05pm – 4.20pm	Peter Botten, Managing Director, Oil Search	
4.20pm – 4.35pm	Deena Shiff, Group Managing Director, Telstra Business	
4.35pm – 4.50pm	Dirk Morris, Chief Executive and Chief Investment Officer, BT Investment Management	
4.50pm – 5.05pm	Paul Hohnen	Questions and discussion Session summary
5.05pm – 5.15pm	Closing Address: Mary Robinson, Chair, Realizing	Pre-recorded video In this 60 th year anniversary of the United Nations Universal Declaration on Human Rights, Mrs Robinson will outline the



	Rights – The Ethical Globalisation Initiative, former President of Ireland and former UN Human Rights High Commissioner	challenges facing business
5.15pm – 5.25pm	Paul Hohnen	Conference summary, delegate evaluation and close
5.25pm – 5.30pm	Leeora Black	Thank Westpac and sponsors, announce 2008 ACCSR Learning Program
5.30pm – 6.30pm	Cocktails hosted by Westpac Special announcement: La Trobe University Graduate School of Management - ACCSR Partnership for CSR Education. Partnership announcement by Professor Geoffrey Durden, Head of School, La Trobe University Graduate School of Management	



Speaker Biographies



**Paul Hohnen, Principal, Sustainability Strategies
Conference Chair**

Paul Hohnen has worked intensively since 1975 on a range of global economic, development and environmental issues as a diplomat, international civil servant, Director of Greenpeace International, and Strategic Director of the Global Reporting Initiative (GRI).

Trained as an international lawyer, Paul worked from 1975 to 1989 as an Australian diplomat at the OECD in Paris, to the EU institutions, and in Fiji and Sri Lanka. He was closely involved in the 1992 and 2002 Earth Summit processes, and has personally participated in the negotiation of a wide range environmental conventions, including on climate change. He has served on the OECD Expert Panel on CSR, and since 2004 has been participating as an expert in the ISO Working Group on Social Responsibility negotiations.

Paul is a Special Adviser to the UN Global Compact, a Special Adviser to the GRI, a Senior Consultant to the International Institute for Sustainable Development (IISD), and Adviser to the Earth Charter.

Gail Kelly, CEO, Westpac

Gail Kelly was appointed CEO of Westpac on 1 February 2008. Gail Kelly has an extensive record of achievement in financial services in Australia. Prior to joining Westpac, Gail was CEO of St George Bank. Under Gail's leadership, St George Bank has consistently met or exceeded its management targets, delivering outstanding financial performance.

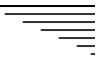
Prior to joining St George Bank, Gail was with the Commonwealth Bank of Australia (CBA) as Head of its Customer Service Division. As a member of its Executive Committee and reporting to the CEO, she was accountable for sales, service and distribution across CBA's retail branches, business banking centres, contact centres and electronic and internet channels. Gail originally joined the CBA in October 1997 as General Manager, Strategic Marketing.

Gail began her banking career in 1980 at Nedcor Bank, one of the largest banks in South Africa where she held a number of General Manager positions, including heading up human resources, cards and personal banking.

Gail has a Bachelor of Arts and Higher Diploma of Education from the University of Cape Town and a Master of Business Administration with distinction from the University of Witwatersand. In May 2007 she was awarded an Honorary Doctorate of Business from Charles Sturt University.

Gail is a Director of Melbourne Business School Limited, a member of the Financial Sector Advisory Council and member of the Australian Bankers' Association Council. She is also a Senior Fellow of the Financial Services Institute of Australia.

Gail is married to Dr Allan Kelly and they have four children. Having migrated to Australia in late 1997, the family became Australian citizens in September 2001.



Georg Kell, Executive Director

Georg Kell is the Executive Director of the United Nations Global Compact, the world's largest voluntary corporate citizenship initiative with over 3,200 business signatories and hundreds of other participating stakeholders from more than 100 countries.

Following assignments as a financial analyst in Africa and Asia, Mr Kell started his UN career at the UN Conference on Trade and Development (UNCTAD) in Geneva in 1987. In 1990, he joined UNCTAD's New York office, which he headed from 1993 to 1997. In 1997, Georg became a senior officer in the Executive Office of the UN Secretary-General, responsible for fostering cooperation with the private sector. After the Global Compact was launched in 2000, Mr Kell was appointed to head the initiative, a position he has held since. A native of Germany, Mr Kell holds advanced degrees in economics and engineering from the Technical University of Berlin.



Lisa Hunt, Group General Manager Australia, Transurban

Lisa Hunt oversees Transurban's investments and development activities in Australia, building on her experience of establishing and leading the business in New South Wales.

With 12 years experience in the transport sector and extensive experience in advising Australian governments on policy, regulation and project delivery, Lisa has a strategic focus on Transurban's growth in existing and emerging markets. Lisa is a Director on the board of Infrastructure Partnerships Australia.

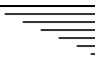


Gavin Jennings, Minister for Environment, Climate Change and Innovation (VIC)

Gavin was elected to the Victorian State Parliament as the Member for Melbourne Province in September 1999 and re-elected at the November 2002 State election. In October 1999, Gavin became Deputy Leader of the Government in the Legislative Council and was Cabinet Secretary in the first Bracks Government.

Following the November 2002 election, Gavin became the Minister for Aged Care and Minister for Aboriginal Affairs. After the November 2006 election, Gavin became Minister for Community Services and Aboriginal Affairs.

Following a recent Ministerial reshuffle, Gavin is now the Minister for the Environment and Climate Change and the Minister for Innovation. He continues to hold the position of Deputy Leader of the Government in the Legislative Council.



Gareth Edgecombe, President, Coca-Cola South Pacific

Gareth is the President of Coca-Cola South Pacific, the local business unit operation representing The Coca-Cola Company. The business unit he leads covers a territory ranging from Australia, New Zealand and the Pacific Island countries. Prior to this, Gareth held senior roles with Coca-Cola in Australia and New Zealand, and at NZ Dairy Foods.

Gareth Edgecombe first joined Coca-Cola as Country Manager New Zealand in 2003, moving to Australia in 2005 as franchise director, then Country Manager, Australia. He held this position until January 2007 when he assumed the role of President, Coca-Cola South Pacific.

Gareth joined Coca-Cola from NZ Dairy Foods Limited, New Zealand's largest domestic dairy player. Here he held a number of sales and general management roles including General Manager of the specialty cheese division and National Sales Manager for NZ Dairy Foods. Gareth holds a degree in Management Studies with first class honours from the University of Waikato, New Zealand.



Campbell Hanan, Group Executive Internal Funds

Campbell is the Group Executive Internal Funds for Investa Property Group. This includes the funds management responsibility for the \$5bn commercial office portfolio and the asset and property management responsibility for a further \$2bn of commercial office assets for the retail and wholesale owned properties. Campbell has been at Investa for four years. Prior to joining Investa, Campbell spent three years at UBS Securities specialising in the Listed Property Trust sector and became a Director of UBS in 2002.

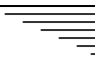
Campbell has more than eight years of experience in commercial leasing roles in Sydney within Colliers International and Savills and spent the last five of those years seconded to AMP with the leasing responsibility for the Angel Place Development and the IAG Head Office in George Street. Campbell holds a Bachelor of Economics degree from the University of Sydney.



Don Henry, Executive Director, Australian Conservation Foundation

Don Henry has been Executive Director of the Australian Conservation Foundation, Australia's leading national, not-for-profit environment organisation, since 1998. Previously based in Washington DC, he served with The World Wildlife Fund as Director of the Global Forest program (1996-98), and as Director of the WWF Asia-Pacific and South Pacific programs.

In Australia, Don has held the post of Director at both WWF-Australia the Wildlife Preservation Society of Queensland. His honorary positions have included Commissioner with the Australian Heritage Commission and President of both the Australian Committee for the International Union for the Conservation of Nature (IUCN) and the Moreton Island Protection Committee. He holds a Global 500 Environment Award from the United Nations Environment Program for his services to conservation.



Alex Malley, President, CPA Australia

Alex Malley is the Chief Executive Officer of professional medical association, the Urological Society of Australia and New Zealand. Prior to this appointment, he has had more than 20 years experience consulting to the private and public sectors and held senior posts in academia.

Alex concurrently serves on a number of boards and government sector committees, including as independent chair, Audit and Risk Committee, Audit Office of NSW; independent chair, Audit and Risk Committee, Office Police Integrity, Victoria; Chairman of the Australasian Reporting Awards; and a board member of the Royal Institute for Deaf and Blind Children.

Alex has a history of involvement with CPA Australia, having been elected NSW Divisional President in 2003, a board vice president in 2005 and board deputy president in 2006.



Frank Costigan QC, Chairman, Transparency International Australia

Frank Costigan was appointed Chairman of Transparency International Australia in 2005. Frank was educated at St Patrick's College East Melbourne and the University of Melbourne. He was admitted to the Victorian Bar in 1957 and Appointed Queen's Counsel Victoria 1973, NSW 1976, ACT 1976, NT 1978 SA 1988 WA 1996 and appointed to the Irish Bar in 1991.

Frank Costigan chaired the Royal Commission into the activities of the Federated Ship Painters and Dockers Union and organised crime 1980-1984.



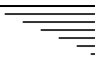
Martin Tolar, CEO, Australasian Compliance Institute

Martin Tolar brings a wealth of knowledge to ACI with over eight years of experience working within the Association sector. Martin previously held various education and business development roles with SIA (now FINSIA – Financial Services Institute of Australia) and prior to his appointment with ACI, was formerly with AFMA (the commercial arm of the Australian Financial Markets Association) in a variety of challenging roles including Head of Accreditation and Training, General Manager of Business Development and most recently as General Manager, where he was responsible for overseeing and growing its

clients who consisted of seven financial markets associations.

Having been a university lecturer in economics, finance and management, Martin brings a diversity of skills and depth of experience to the Institute and possesses a strong understanding of Government and its practices, due to time spent in Local and Federal Government.

The Australasian Compliance Institute is the peak industry body for compliance professionals in Australasia currently consisting of over 1600 members from a variety of organisations, businesses and regulators.



Jane Kittel, General Manager, Pacific Banking, Westpac Banking Corporation

As the General Manager of Westpac's Pacific Banking operation, Jane Kittel's responsibilities extend across seven South Pacific Island countries. Jane was appointed General Manager of Pacific Bank in early 2006 and leads a team of more than one thousand Westpac employees across the South Pacific with operations in the Cook Islands, Fiji, Samoa, Solomon Islands, Tonga, Vanuatu, Papua New Guinea and Sydney.

Prior to her role with Pacific Bank, Jane was the General Manager for Sourcing, Channel Infrastructure and Head of Corporate Services at Westpac. She joined Westpac in 1995, working in the Learning and Development and Human Resources field and has held Senior Human Resource Management roles in Westpac's IT and Operations Group nationally. Jane also held the position of Executive Manager to the Group Executive of IT and Operations before she moved into a role within the business.

Prior to joining Westpac, Jane worked at AMP in Human Resources and Change Management. Jane holds a Bachelor of Management from the University of South Australia and Bachelor of Teaching from the University of Technology, Sydney. Jane also represents Westpac as Chair of Westpac's Board of Directors in Papua New Guinea, Tonga and Samoa since August 2007.



Sharan Burrow, President, Australian Council of Trade Unions

In May 2000, Sharan Burrow became the second woman ever to be elected President of the Australian Council of Trade Unions (ACTU).

In November 2006, Sharan was elected President of the global union body, the International Trade Union Confederation. The ITUC represents 168 million workers in 154 countries and territories and has 307 national affiliates. In December 2004, Sharan became the first woman president of the International Confederation of Free Trade Unions, which joined with the World Confederation of Labour to form the ITUC in November 2006.

Sharan was born in 1954 in Warren, a small town in western New South Wales, into a family with a long history of involvement in unions and the struggle to improve the lives of working people. Her great, great grandfather participated in the shearers' strike of 1891/92, becoming one of the first organisers for the Australian Workers' Union and standing for the state seat of Cobar for the fledgling Australian Labor Party in 1896.

Sharan studied teaching at the University of NSW in 1976 and began her teaching career in high schools around country NSW. She became an organiser for the NSW Teachers' Federation, based in Bathurst, and was President of the Bathurst Trades and Labour Council during the 1980s.

Sharan was elected Senior Vice-President of the NSW Teachers' Federation and became President of the Australian Education Union (AEU) in 1992. She represented the AEU on the ACTU Executive through the 1990s. Sharan was previously Vice-President of Education International from 1995 to 2000. Education International is the international organisation of education unions representing 24 million members worldwide. In 2000, Sharan also became the first woman to be elected President of the International Confederation of Free Trade Unions Asia Pacific Region Organisation.

She is currently President of the International Centre for Trade Union Rights, a member of the Governing Body of the International Labour Organisation and a member of the Stakeholder Council of the Global Reporting Initiative. As part of her ILO responsibilities, Sharan chairs the Workers' Group of the Subcommittee on Multinational Enterprises.



David Kinley, Chair in Human Rights Law, University of Sydney

Professor David Kinley holds the inaugural Chair in Human Rights Law at the University of Sydney. He has previously held positions at Cambridge University, the Australian National University, the University of New South Wales, Washington College of Law, American University and most recently was the founding Director of the Castan Centre for Human Rights Law at Monash University (2000-2005). He researches, writes, teaches, speaks and advises in the areas of international and domestic human rights law, and the intersection of human rights with the institutions of the global economy (TNCs, development agencies, and trade institutions). He is author or editor of five books and author of more than 60 articles, book chapters, reports and papers. He was a Senior Fulbright Scholar in 2004, based in Washington DC researching the relationship between international financial institutions and international human rights laws.

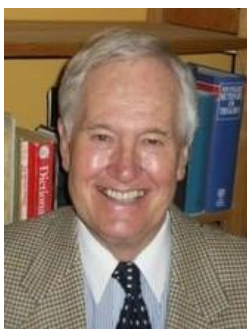
He has also worked for 12 years as a consultant and adviser on international and domestic human rights law in such countries as Vietnam, Indonesia, Bangladesh, Thailand, Laos, China, and Myanmar/Burma and for such organizations as the United Nations High Commissioner for Human Rights, the World Bank, TNCs and other private sector institutions, the Ford Foundation, AusAID, and the Asia Pacific Forum of National Human Rights Institutions. He has also previously worked for three years with the Australian Law Reform Commission and two years with the Australian Human Rights and Equal Opportunity Commission. He has just completed editing *Corporations and Human Rights*, to be published in early 2008 by Ashgate in its International Library of Essays series, and is currently working on two new books: a monograph entitled *Human Rights and the Global Economy*, to be published by Cambridge University Press, and a jointly edited collection of essays entitled *Human Rights and the WTO*, to be published by Edward Elgar.



Serena Lillywhite, Manager, Sustainable Business, Brotherhood of St Laurence

Serena Lillywhite is Manager of Sustainable Business with the Brotherhood of St Laurence. Serena is an active corporate social responsibility practitioner, researcher and advocate. She has expertise and experience in responsible supply chain management, labour and human rights in China, and issues facing home-based outworkers in the textile sector in Australia.

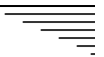
Serena has considerable knowledge of the OECD Guidelines for Multinational Enterprises, is the Australian representative on the OECD Watch Co-ordinating Committee, and is a regular speaker at the OECD Investment Committee and other international CSR platforms. She contributed to the two Australian Federal Government inquiries into CSR and works regularly with the business community to foster dialogue and multi-stakeholder approaches to sustainable business practices. Serena holds a Masters in International Business from the University of Melbourne.



Tim Hall, Director of Public Affairs, GSL Australia

Tim Hall is Director of Public Affairs for GSL Australia, which he joined in 1998. GSL manages assets that have high levels of operating risk, including prisons, immigration detention centres, forensic psychiatric hospitals, prisoner transportation contracts, and ambulances. Tim has specialised in the management of reputational risk. He is responsible for all aspects of GSL's media, public and community relations and for the high level management of the company's response to human rights issues.

Earlier in his career, Tim worked and travelled extensively as a foreign correspondent, principally for the London *Observer* and the BBC. He was a senior writer for *Readers Digest* and 54 of his books have been published. He is a Fellow of the Australian Institute of Management.



Patrick Colmer, General Manager of the Foreign Investment and Trade Policy Division, Treasury

Patrick Colmer is the General Manager of the Foreign Investment and Trade Policy Division in the Australian Treasury. He is also the Executive Member of the Foreign Investment Review Board and the Australian National Contact Point for the OECD Guidelines for Multinational Enterprises. He is a member of the OECD Investment Committee.

He has an extensive background as a public policy adviser in a variety of government agencies. He was previously the General Manager of Treasury's Indirect Tax Division, an Assistant Commissioner in the Australian Taxation Office and Director in the Commonwealth health department with responsibility for general practice standards and health workforce policy.



Graeme Innes, Human Rights Commissioner, HREOC

Graeme Innes has been a Human Rights Practitioner in New South Wales, Western Australia and nationally for 25 years. Graeme was a member of the Australian delegation to the United Nations developing a Convention on the Rights of People with Disabilities.

Graeme has been active in the disability field for 30 years. He was Chair of the Disability Advisory Council of Australia for four and a half years.

He was the first blind President of Royal Blind Society of NSW, and the first Chair of Vision Australia, Australia's largest national blindness agency. Graeme has been one of Australia's delegates to the World Blind Union, and the President of that Union's Asia-Pacific region.

Graeme has been a consultant to organisations such as Westpac, Qantas and Sydney Water, on disability issues. In 1995 Graeme was admitted as a Member of the Order of Australia (AM) for his contribution to the development of Commonwealth disability discrimination legislation. He was a finalist for Australian of the year in 2003.

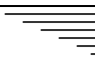


Peter Botten, Managing Director, Oil Search Ltd

Peter Botten graduated from the Imperial College, Royal School of Mines in 1976 and joined the French energy group, Cogema, as a specialist sedimentologist working in various African and European countries, Canada and the US. He also spent a number of years working for Kufpec and later Petroz filling a number of technical and management roles in various African and South-east Asian countries before moving to Australia.

Peter joined Oil Search in 1992, just after oil and gas production started from Kutubu and Hides. Since that time Oil Search has grown to become a regionally significant operator, owning over 70% of the oil and 50% of the gas business in Papua New Guinea, operating all producing oil and gas fields in the country and being responsible for around 11% of the country's GDP. The company continues to build a material exploration and production business in the Middle East and North Africa. Oil Search now has oil production from Egypt and Yemen and operates a number of exploration licences in four countries.

Peter has been a leader in the Papua New Guinea petroleum industry for over 12 years. He is presently President of the Chamber of Mines and Petroleum and is a Council Member of the Australia PNG Business Council.



Deena Shiff, Group Managing Director, Telstra Business

Deena Shiff was appointed to the role of Group Managing Director, Telstra Business from January 30, 2006.

Most recently, Deena held the role of Group Managing Director, Telstra Wholesale, having led the division through a successful transformation from late 2001.

Deena started her career in telecommunications with the former OTC Limited in 1989, and has over 17 years of experience in the telecommunications industry. Deena held a number of positions in Telstra, including General Manager Corporate Affairs in the International Business unit.

Between 1995 and 1998 Deena was a partner in the corporate advisory section of the law firm, Mallesons Stephen Jacques.

Deena re-joined Telstra in 1998 as Director of Regulatory. Deena joined Telstra Wholesale initially as Chief of Commercial Operations in November 2001.

Deena has held a number of non-executive directorships in both the telecommunications industry and other sectors. She was a Director of the government owned rail operator, Freightcorp, from 1995 until it was privatised in 2002. During that time she chaired the Compliance Committee and later the Privatisation Committee of the Freightcorp Board.

Deena has a degree from the London School of Economics and a law degree Cambridge University. She was admitted to the Bar in London in 1981.

Dirk Morris, CIO and CEO, BT Investment Management

Dirk has responsibility for BT's proprietary investment capabilities, as well as institutional distribution, leading a team of more than 100 professionals spread across the various asset classes.

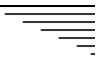
Dirk has had an extensive international career with JP Morgan and Putnam Investments. He has also worked with the Reserve Bank in Australia and with BT in the mid-nineties. Dirk re-joined BT in October 2006.

Dirk holds a Ph.D. in international finance.

In 2002, BT was acquired by Westpac and the company now also manages Westpac's wealth management operations. BT's business covers the full spectrum of wealth creation: advice, private banking, insurance, investment management and super and wrap solutions.

BT Financial Group (BTFG) has announced its intention to create a new listed company to secure and grow our position in funds management. This initiative will underpin BT Investment Management's ability to retain and attract a leading team of investment professionals with the aim of continuing to deliver strong performance to investors in a dynamic and growing market.

The new company is anticipated to be listed on the ASX through a partial IPO and will contain BT Investment Management, one of BTFG's key business units. This business is expected to be listed substantially in its current form and with the current investment team. As funds management is central to BTFG and Westpac's strategy, they will maintain majority ownership of the new listed company.



Mary Robinson, President, Ethical Globalization Initiative: Realizing Rights

Mary Robinson, the first woman President of Ireland (1990-1997) and former United Nations High Commissioner for Human Rights (1997-2002), has spent most of her life as a human rights advocate. Born Mary Bourke in Ballina, County Mayo (1944), the daughter of two physicians, she was educated at the University of Dublin (Trinity College), King's Inns Dublin and Harvard Law School to which she won a fellowship in 1967.

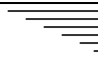
As an academic (Trinity College Law Faculty 1968-90), legislator (Senator 1969-89) and barrister (1967-90, Senior Counsel 1980, English Bar 1973) she has always sought to use law as an instrument for social change, arguing landmark cases before the European Court of Human Rights as well as in the Irish courts and the European Court in Luxemburg. A committed European, she also served on the International Commission of Jurists, the Advisory Committee of Interights, and on expert European Community and Irish parliamentary committees.

She married Nicholas Robinson, lawyer, conservationist, and an authority on eighteenth-century caricature in 1970. They have a daughter and two sons.

In 1988 Mary Robinson and her husband founded the Irish Centre for European Law at the Trinity College. Ten years later she was elected Chancellor of the University.

The recipient of numerous honours and awards throughout the world, Mary Robinson is a member of the Royal Irish Academy and the American Philosophical Society and, since 2002, has been Honorary President of Oxfam International. A founding member and Chair of the Council of Women World Leaders, she serves on many boards including the Vaccine Fund, and chairs the Irish Chamber Orchestra.

Currently based in New York, Mary Robinson is now leading Realizing Rights: the Ethical Globalization Initiative. Its mission is to put human rights standards at the heart of global governance and policy-making and to ensure that the needs of the poorest and most vulnerable are addressed on the global stage.



Summary of Sessions

Official Opening Address by Gail Kelly, CEO, Westpac

Reporter: Caroline Bergman, ORBIS Flying Eye Hospital

Summary:

The opening address by Gail Kelly, CEO of Westpac during "The Big Picture" session set the context for sustainability and CSR within Westpac, sponsors of the Raising the Bar conference. In her first public address as CEO of Westpac, Gail Kelly said the long history of Westpac in Australia and its position as a leader in banking engendered a deep pride and commitment in staff and customers. Mrs Kelly said that CSR is a reality at Westpac with staff actively getting involved in projects which make a difference to lives. These initiatives are measured and reported, allowing Westpac to keep raising the bar. Westpac has developed a strategic set of partnerships, holds its suppliers to account, and ensures that staff are aligned with Westpac values. The principle Westpac adheres to is "do the right thing", and Mrs Kelly said she has made a personal commitment to build on this foundation. She stated that when building an organisation for the future, customers are foremost in the strategy. Mrs Kelly believes businesses can make a positive difference in the lives of the people they serve and she concluded with a challenge: "Let's make sure we translate thinking into practice and ... really do raise the bar".

The Big Picture: Georg Kell, Executive Director, UN Global Compact

Reporter: Caroline Bergman, ORBIS Flying Eye Hospital

Summary:

The speech by Georg Kell, Executive Director of the United Nations Global Compact was read by Paul Hohnen, Special Advisor to the United Nations Global Compact and Raising the Bar conference chair. Mr Kell introduced the ten Global Compact principles and stated that there is a growing understanding by businesses that CSR is "just good business". Mr Kell pointed out that reporting on CSR progress is essential and that what is measured can be managed. Mr Kell outlined the benefits of participation, including global exposure, participation in collective initiatives and knowledge sharing amongst participants. He also pointed out that for businesses working in markets where there are no laws, the Compact provides a moral yardstick. The Global Compact gives a voice to the private sector in shaping public policy and he noted that the new Australian government recommended Australian businesses join the Compact. He concluded by saying globally-minded business leaders realise that the ideals of the United Nations match their own aspirations.

Session 2: Environment

Reporter: Lee McDougall

Summary:

The environment session incorporated presentations from government, business and an NGO. Climate change featured as the critical environmental issue and there was a general consensus on the need for practical actions, strategic partnerships and innovation to find equitable solutions. Execution of the Global Compact was also reinforced. Victorian Minister Gavin Jennings recognised that government needs to undertake meaningful cross-sectoral engagement to ensure an Australian carbon trading scheme is receptive and adaptable to change. ACF Executive Director, Don Henry, underlined opportunities to be gained across civil society by acting on climate change. Insights from business demonstrated how sustainability brings benefits. Lisa Hunt from Transurban examined how stakeholder engagement is contributing to environmental improvements and community growth along its toll road corridors. Gareth Edgecombe outlined Coca-Cola's pledges to improve its water management and give value back to local communities. Campbell Hanan spoke about the intangible benefits and cost savings which have been achieved by reducing energy use and improving waste management at Investa. Follow-up discussions centred on "walking the talk" on climate change; the type of leadership required to bring environmental stewardship and how to ensure funds are reinvested in appropriate renewables' research and development.



Session 3: Anti-Corruption

Reporter: Scott Neve, National Australia Bank

Summary:

Session 3 of the Raising the Bar Conference focused on the significant issue that corruption causes in the Australian market, the main problems faced and how business and government can “raise the bar” in addressing these issues. Session chair, Alex Malley, identified corruption as one of the biggest challenges to the world in terms of its impact on sustainable development and impact on the poor and under-privileged, in addition to looking at the important ethical and financial reasons for addressing corruption. First speaker, Frank Costigan QC, reported on where we have come from and how the international community has only recently recognised anti-corruption as critical to world health. Frank demonstrated the relevance of anti-corruption conventions to Australian businesses and the commitment required by business to tackle the problem. Second speaker, Martin Tolar from the Australasian Compliance Institute, discussed the role compliance and Australian Standards play in addressing corruption and reported on Australia’s leading role in world compliance and governance principles. Final speaker, Jane Kittel, and a panel of her colleagues from Westpac Pacific Banking, discussed real-life examples of corruption in the Pacific, the impact this has on Westpac’s business, and strategies they have used to address corruption.

Special Keynote Speaker, Sharan Burrow, Australian Council of Trade Unions

Reporter: Ana Maria Esteves, Community Insights

Summary:

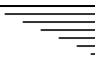
In her keynote presentation, Sharan Burrow considered the Global Compact principles specifically dealing with labour and placed these in the context of human rights and an increasingly unstable global economy. Sharan emphasised that CSR practice needs to reflect, rather than substitute, the foundations of legal responsibility on which it is built. She advocated open and honest discussion and debate on the challenges business currently face. Sharan noted four initiatives currently underway: collaboration between the ILO and OECD to ensure ethical adherence to right-based principles recognising the changing nature of work; new legislation in Australia aimed at managing and guaranteeing the rights of an increasingly mobile workforce; campaign for corporate transparency - extending beyond corruption to the misuse of capital (practiced by “private equity raiders” and hedge funds); and a verification process for the Global Compact, to deepen commitment and avoid “greenwashing”. Topics raised in the discussion that followed included the importance of a co-operative work environment if employees are to be a source of ideas and innovation; country models that protect the rights and freedoms of a globally mobile workforce; the possibility of a national apology in respect of refugees; and the role of Australia on the international stage in ensuring human rights are protected.

Session 4: Human Rights

Reporter: Misha Coleman, World Vision

Summary:

The session on human rights, chaired by Paul Hohnen, discussed policies and practices related to the adoption and implementation of human rights frameworks within corporations and their supply chains – the genesis being the UN Draft Norms for Human Rights – through a case study of the complaint brought against GSL Ltd under the provisions of the OECD Guidelines for Multinationals, through the Australian National Contact Point in the Treasury. The context was presented through a discussion on the relationship between human rights law and corporations, the conclusion being that, especially with regard to international human rights law, there is much more elasticity than is commonly supposed. Human rights laws are, in practice, as much matters of political, philosophical, social and economic contestation as the implementation of legal absolutes. This “elbow room” should be seen by individuals, states and corporations alike as space in which to forge agreement.



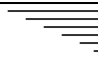
Session 5: Raising the Bar CEO Panel

Reporter: *Diane Mann*

Summary:

The business leaders in the CEO Panel shared their personal perspectives on CSR and the commercial realities facing their companies and sectors. Peter Botten from Oil Search Limited outlined the challenges of operating in Papua New Guinea and the key success factors for the company. Deena Shiff from Telstra talked about CSR in the context of small and medium enterprises as well as large companies. Small business demonstrates CSR by its involvement with local causes and organisations such as Rotary and SES. Dirk Morris from BT Investment Management (BTIM) introduced the finance industry perspective on CSR by noting the corporate governance role of fund managers.

The video presentation by Mary Robinson, Chair of Realizing Rights, noted the role of business in multi-stakeholder working groups as part of the solution to major issues, for example noting that access to water is a human right as well as a broad public good.



Session 2: Environment

Lisa Hunt

Group General Manager Australia, Transurban

Gavin Jennings

Minister for Environment, Climate Change and Innovation (VIC)

Gareth Edgecombe

President, Coca-Cola South Pacific

Campbell Hanan

Group Executive, Investment Portfolio, Investa

Don Henry

Executive Director, Australian Conservation Foundation

Chair: Paul Hohnen

Reporter: Lee McDougall

Discussion:

Lisa Hunt of Transurban described the way in which this toll road operating company aligns its business with the long-term interests of its stakeholders, thus differentiating itself from others in its sector. Transurban works closely with communities, customers, government and its people for the duration of contracts to facilitate innovation, growth, better land use and improved social and environmental conditions along its corridors. Blacktown Council rewarded Transurban for its two and a half year stakeholder engagement project along the Westlink corridor. Lisa also referred to the opportunities the company is considering to reduce its environmental impact: working towards free flow traffic; spreading the peak by encouraging flexible working; introducing parity in the toll system (i.e. heavy vehicles pay more) and offsetting emissions. Transurban is an important player in the debate, encouraging federal government to talk to state government and reporting its environmental impact transparently.

Gareth Edgecombe gave an overview of Coca-Cola's responsible water management program. As a primary ingredient in its beverages and the production cycle, water is a business critical issue for the company. In June 2007, Coca-Cola pledged to "reduce, recycle and replenish" the water it uses to achieve ongoing business sustainability and give value back to the local communities in which it operates. Strategic partnerships are a key way of working towards achievement of the water pledges. Coca-Cola is partnering with WWF to clean and restore water quality in seven of the world's most stressed waterways and is also a founding signatory of the UNGC's CEO Water Mandate. Closer to home in Australia, Coca-Cola has adopted new technologies that enhance plant performance and has reduced its water usage by 120 million litres. It is also planting 250,000 trees as part of a watershed management project with Landcare.

Gavin Jennings, Minister for Environment, Climate Change and Innovation (Victoria), believes we are well placed as a global community to take the next step on climate change. In his presentation, he supported increased debate and cross-sectoral engagement on the issues related to carbon. He also reflected on the importance of developing an Australian carbon trading scheme which is receptive and adaptable to changing market conditions. He cited a number of challenges which will have to be faced to achieve this end. These include understanding the rate and scale of transition we can drive, balanced with the cost of technology; being mindful of the real value of carbon in a range of geographic and social contexts; providing adequate compensation where it is due, and learning from other jurisdictions how best to drive maximum value from innovation in renewables.

Campbell Hanan, representing Investa, outlined the young property company's sustainability journey and the recognition derived from success in this space, including its number one ranking on the Dow Jones



Sustainability Index and listing in the Global 100 most sustainable companies. Born from Westpac, Investa inherited the staff and culture of sustainability and set about differentiating itself from others in its sector. The beginning of the journey, with its focus on risk and cost reduction, involved preparing the organisation for changes in the financial market. Investa established a board-level Sustainability Committee; published firm environmental targets and took on independent verification and reporting of its building energy, waste, etc. The company sought to understand its consumption, achieving short-term revenue gains in the process, and launched a number of green products. The current stage of the journey is about increasing long-term revenues and intangible values, including tenant retention and repeat business. Campbell spoke about good environmental practice being business critical, but the challenge it faces is tenants not being prepared to pay more for green practice. Next steps for the company include attracting third-party capital through socially responsible investment and better managing responsible investment funds.

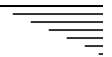
Finally, Don Henry of the Australian Conservation Foundation presented his views on the importance of taking action and finding solutions to critical global issues and reiterated the importance of executing the Global Compact. He used climate change, an example of a battle that could be won or lost in our lifetime, to inform his audience that there are great opportunities in cleaning up. He considered two pertinent questions. Firstly, what could the opportunity of meeting targets look like? The answer, greater energy efficiency including increased use of solar panels that achieve a real price for electricity put back into the grid; the drive for sustainable cities and a rigorous program of bringing health back to landscapes. Secondly, what does the future look like for civil society? Don suggested that community interest in climate change and sustainability will heighten and individuals will take on board environmental principles that are faster and deeper than the science says. He urged greater collaboration between different groups in civil society and government; creative partnership and innovation and a long-term approach to the issue of climate change.

Questions arising from this session initially centred on the role of government in appropriate management of carbon trading funds to ensure they are ploughed back into carbon technology. It was suggested that trust could be gained by using the funds to leverage investment and then drive innovation through the resultant revenue.

One individual asked for the speakers' views on the type of leadership required from the next generation to take forward environmental stewardship. One response was that there is a role for everybody and there needs to be appropriate engagement across government, business, communities and NGOs. The decision-making process also needs to provide equal opportunities for all participants. Another speaker emphasised the importance of values-based leadership and the requirement to test it frequently to create integrity.

Further questions centred on where to start in order to "walk the talk" and "talk the walk". Sustainability reports were credited as being a great first step, but there also need to be targets and external audits, otherwise there is a danger of them becoming "toothless tigers". Research and development, along with strategic partnerships, were cited as further mechanisms for making progress.

Coca-Cola was then the focus of a couple of questions. Firstly, the company was asked how it ensures its investments filter through to the intended communities. Coca-Cola reinforced the fact that it is a global company with local operations and therefore uses local knowledge of infrastructures in all its programs. Its water program is only in its initial stages, so metrics on success are only in their infancy. Coca-Cola was also asked how much thought it gives to its product and the wider environmental implications it has. The company responded by saying it is leading the industry in its efforts to reduce packaging and use packaging that is in a recyclable format. Coca-Cola is also working alongside local government to advocate better in-house recycling and to help provide better recycling facilities in high profile public places.



Session 3: Anti-Corruption

Frank Costigan QC

Chair, Transparency International Australia

Martin Tolar

CEO, Australasian Compliance Institute

Jane Kittel

General Manager, Westpac Pacific Banking

Ross Hammond

Managing Director, Westpac Papua New Guinea

Chair: Alex Malley, President, CPA Australia

Reporter: Scott Neve, NAB

Discussion:

Chair – Alex Malley, President, CPA Australia

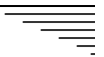
- Corruption is generally recognised as one of CSR's biggest challenges and indeed a challenge to the world in terms of its impact on sustainable development and impact on the poor and under-privileged.
- Steps to address anti-corruption are a key principle of the UN Global Compact which states "Businesses should work against corruption in all its forms, including extortion and bribery."
- Businesses need to combat corruption not only for ethical reasons but because of the direct impact on their business. These risks can include legal and reputational risk and also significant financial cost.
- The session looked at where we have come from, the role of Australian standards in addressing anti-corruption and also real-life examples of how corruption can be tackled.

Frank Costigan QC, Chair, Transparency International Australia

- Transparency International (TI) is an NGO devoted to curbing corruption worldwide.
- It has only been in recent times that the international community has recognised anti-corruption as critical to world health and an impediment to the war against poverty, as demonstrated by the formation of the United National Convention against Corruption (UNCAC), however addressing the issues will require strong commitment from government, individuals, community and business.
- This includes Australia, as anti-corruption conventions may be far more relevant to Australian businesses than commonly thought, as illustrated by the AWB Oil-for-Food scandal.
- In order to tackle the problem, a strong commitment from businesses will be required and organisations such as TI can assist with good practice guidelines, frameworks and tools for tackling corruption.

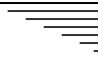
Martin Tolar, CEO, Australasian Compliance Institute

- Australian standards play a large role in combating corruption.
- The Australian Standard, AS3806, sets out 12 essential principles for establishing and implementing an effective compliance program, including measures to address corruption and other CSR issues.
- Compliance and CSR professionals are working together to combat corruption and this is increasingly in a proactive, value-add role, as opposed to being viewed as a burden borne by businesses or a box to be ticked.
- Australia is a world leader in the area of compliance and recently ranked 3rd in the world for corporate governance principles.



Jane Kittel, General Manager, Westpac Pacific Banking

- Westpac Pacific Banking Westpac is represented in Fiji, Papua New Guinea, Solomon Islands, Tonga, Vanuatu, Cook Islands, and Samoa. Westpac has a large footprint in the region, employing over 1,200 staff and having a large network of ATMs, branches and full range of banking products.
- Jane recognised the significant problem in doing business in countries where corruption may be deemed more socially acceptable and embedded in local practices and culture.
- These cultural differences in the Pacific have lead to many cases of petty theft, but also bigger fraud issues.
- What is Westpac doing to address the issue? In addition to adopting principles of the UN Global Compact, it is working with locals to understand their local issues and culture and now offers some practical solutions to address employees' issues such as more flexible staff lending practices, in addition it offers staff training and education about the impact and consequences of corruption to staff and the wider organisation.
- Westpac also uses its core values to guide the way it does business and promote its leadership standards and code of conduct amongst staff.



Labour: Special Keynote Speaker

Sharan Burrow

President, Australian Council of Trade Unions

Reporter: *Ana Maria Esteves, Community Insights*

Discussion:

In her keynote presentation, Sharan Burrow considered the Global Compact principles specifically dealing with labour and placed these in the context of human rights and an increasingly unstable global economy. Sharan emphasised that CSR practice needs to reflect, rather than substitute, the foundations of legal responsibility on which it is built. Recognising that the current trajectory set by inflationary pressures, people's inability to pay their mortgages and the instability in financial markets is not sustainable, the goal should be to achieve both responsible wage outcomes and counter-inflationary measures. Sharan said that the challenges facing business can be addressed through discussion and debate, with openness, honesty and willingness to work through a process for fair globalisation. Four initiatives currently underway were covered:

- Dialogue between the ILO and OECD to ensure collaboration on ethical adherence to right-based principles. This requires deciding on the fundamental principles underpinning decent work. Current rights frameworks do not adequately reflect the changing nature of work, nor directly address aspects such as safety at work and workforce mobility.
- New legislation in Australia in 2008 that adopts a right-based approach, addressing how the rights of an increasingly mobile workforce are managed and guaranteed.
- A campaign to promote corporate transparency, reaching beyond corruption issues, to the misuse of capital, as practiced by "private equity raiders" and hedge funds. Related fears are evident in concerns about sovereign wealth funds.
- A verification process for Global Compact, to deepen commitment and avoid "greenwashing".

Questions

In Europe, corporations are recognising that the workplace is the strongest source of ideas and innovation that they have, and therefore by engaging the workforce in CSR agenda, the effects can be powerful. Is the same happening in Australia?

Sharan said this was not generally the case. However, the manufacturing sector in the 1990s saw unions working as business partners, contributing significantly to value-added manufacturing. This was described as an outcome of a co-operative environment. The differences in approach are an issue in Europe, where a "war of models" is being waged – between those who prefer a US corporate model that disregards rights of employees, and those who support a European model with a co-operative set of principles at heart, and co-operative outcomes.

In the context of challenges within the Pacific Islands, is enough being done? Should Australia be looking at New Zealand models for addressing a mobile workforce?

Sharan noted that the issues in New Zealand are more about seasonal work programs, rather than work mobility. She does not favour New Zealand's response due to its layer of paternalism. People have the fundamental right and freedom to move. Realising these rights and freedoms requires looking at pathways to citizenship, different banking practices and a super industry that takes global mobility into account.

In the light of last week's government apology to the Stolen Generation, does the ACTU have a view of whether one is due to refugees?

Sharan stated that "the apology showed us what kind of country we can be". It necessitated open acknowledgement that the rights and freedoms of individuals and groups have been abused. Amending legislation is essential, for example, to enable the right to work for refugees. Institutional change is also required, for example with regard to the Pacific Solution, which goes to the question of integrity and transparency of governments.



What role should Australia be playing on an international stage to ensure human rights are protected?

Sharan believes that Australia has a solid history of influence, for example, with regard to collaboration on OHS rights and maternity leave. Using common sense and bluntness, there is a capacity to “punch above our weight” in international issues, and promote partnership between governments, ILO, UN and other multilateral agencies.

Session 4: Human Rights

David Kinley

Chair Human Rights Law, Sydney University

Serena Lillywhite

Manager Sustainable Business, Brotherhood of St Laurence

Tim Hall

Director of Public Affairs, GSL (Australia) Pty Ltd

Patrick Colmer

Australian National Contact Point, OECD Guidelines for Multinational Enterprises and General Manager, Foreign Investment and Trade Policy Division, Department of Treasury

Graeme Innes

Human Rights Commissioner, Human Rights and Equal Opportunity Commission

Chair: Paul Hohnen

Reporter: Misha Coleman, World Vision

Discussion:

Case study of GSL


This session featured representatives of the three key parties to a complaint that was made to the Australian National Contact Point for the OECD Guidelines for Multinational Enterprises: the Brotherhood of St Lawrence, GSL and the National Contact Point.

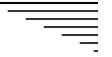
Discussion ensued of the test case raised against GSL. The aim of raising the complaint was:

- To advise, influence and change the practice of GSL in relation to the detention of asylum seekers and to see that the core business was conducted in a rights-based framework.
- To highlight that international standards are relevant to the actions of companies, and that these standards are valuable in enhancing corporate conduct and reputation.

Lessons learnt:

- Human rights standards are valuable to corporations for risk management.
- It is a voluntary mechanism and process.
- Need political will from the National Contact Point and buy-in from the corporation in question.
- Importance of an effective, functioning and properly resourced National Contact Point.
- OECD Watch is a network which provides advice to the Investment Committee of the OECD, and this case has been documented as a best practice case study.
- Fact sheets for corporations are being developed.
- Corporate (GSL's) view of the guidelines:
 - Encouraged other corporations to actively use the OECD Guidelines.
 - Stated that a "win-win" for both sides should be the goal.
 - Advised others to "leave the lawyers at home"! (more value to mediate directly).
 - Outcome for GSL was that they agreed to implement 34 process improvements.
- Where do OECD Guidelines fit into the international CSR framework?
 - Original draft of the guidelines dates back to mid-1970s as part of the OECD's Investment Protocol, the aim of which was to encourage socially responsible investment as a development tool and to manage negative perceptions of MNCs

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- Guidelines are a core part of the responsibilities when a country joins the OECD – the obligation being that countries are required to promote the guidelines who operate from or within their country.
 - Guidelines are inspirational, they do not have legal status - they are simply best practice for MNCs.
 - Guideline system enables progress on the complaint, regardless of whether it proceeds or not, and is the most important aspect to enable a positive outcome.
 - Many positive outcomes occur after the formal process is over.
 - The ANCP has dealt with three cases to date in Australia.
- Human Rights and Corporations
 - All companies have obligations related to human rights under domestic legislation, such as prohibiting harassment and recognising native title.
 - It is often necessary to go beyond local legislative requirements - there are 58 Australian laws that prohibit equal opportunity in some form.
 - HREOC is very interested in working with corporations, to help them consider human rights impacts on communities, workers and those whom the businesses touch.



Session 5: Raising the Bar CEO Panel

Peter Botten

Managing Director, Oil Search Limited

Deena Shiff

Group Managing Director, Telstra Business

Dirk Morris

Chief Executive and Chief Investment Officer, BT Investment Manager

Mary Robinson

President, Realizing Rights

By video message

Reporter: *Diane Mann*

Discussion:

The business leaders in the CEO Panel shared their personal perspectives on CSR and the commercial realities facing their companies and sectors.

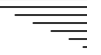
Peter Botten from Oil Search Limited outlined the challenge of operating in Papua New Guinea and the key success factors for the company: community equity and business development opportunities for a healthy economy, skills training and employment opportunities, responsible environmental management and sustainable community based development including health programs and infrastructure projects. The compelling CSR business case is based around the social license to operate, the company's reputation, building a legacy of a sustainable business and economy and the impact on the bottom line.

Deena Shiff from Telstra talked about CSR in the context of small and medium enterprises as well as large companies. Small business demonstrates CSR by their involvement with local causes and organisations such as Rotary and SES. Deena noted that a large proportion of Australia's SMEs are Telstra business customers. Smaller businesses are encouraged to adopt CSR initiatives as part of the supply chain for larger companies such as Telstra. Deena also mentioned the company's focus on carbon abatement rather than carbon credits or offsetting, referring to the Telstra commissioned report *Towards a High-Bandwidth, Low Carbon Future* and the promotion of videoconferencing as an alternative to air travel.

Dirk Morris from BT Investment Management (BTIM) introduced the finance industry perspective on CSR by noting the corporate governance role of fund managers. Clients have long demanded ethical issues be taken into account in investment decisions. Environmental Social and Corporate Governance (ESG) funds now adopt both negative and positive screening to meet sustainability objectives. BTIM has adopted the United Nations Principles for Responsible Investment (UNPRI) and has also created an independent subsidiary Regnan as a collaborative influence in governance and advisory services.

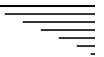
During the discussion session, questions were raised about whether Oil Search is exploring alternative energy solutions, to what extent the company is measuring emissions and also the long term sustainability of highland communities after the company ceases operations in Papua New Guinea. Peter noted that, as a relatively small organisation, it is difficult for Oil Search to move into alternative energy sources and this area will be dominated by the larger oil companies. Regarding emissions, Peter said the company measures how much gas is flared and also noted that oil not used is put back into the ground for future use as much as possible. The ongoing viability of PNG communities is based on the long-term business development program and encouraging the set up of local landowner companies with independent boards.

Discussion regarding funds management and governance included questions on the BTIM supply chain, the criteria used for negative screening and how intangible CSR costs and benefits are measured. Dirk noted that BTIM encourages suppliers such as research and broking houses to adopt UNPRI but does not impose specific



requirements. Dirk advised that screening criteria are developed by Regnan in conjunction with Monash University. Regarding the impact of CSR on the balance sheet and P&L, Dirk noted the challenge of encouraging clients to accept short-term costs to allow benefits in the longer term.

The video presentation by Mary Robinson, Chair Realizing Rights, noted the role of business in multi stakeholder working groups as part of the solution to major issues, for example noting that access to water is a human right as well as a broad public good. Mary encouraged the audience to visit www.everyhumanhasrights.org and join with her and the other Elders of the Global Village such as Nelson Mandela, Jimmy Carter, Kofi Annan and Muhammad Yunus in signing the Universal Declaration of Human Rights. The 60th anniversary in 2008 is the year for individuals as well as governments to sign the declaration.



Useful Websites

Australian Centre for Corporate Social Responsibility
www.accsr.com.au

Every Human Has Rights
www.everyhumanhasrights.org

Human Rights and Equal Opportunity Commission
www.humanrights.gov.au

OECD Guidelines for Multinational Enterprises
www.oecd.org/daf/investment/guidelines

The Australian National Contact Point for the OECD Guidelines
<http://www.ausncp.gov.au>

Transparency International
www.transparency.org.au and www.transparency.org

United Nations Global Compact
www.unglobalcompact.org

United Nations Principles for Responsible Investment
<http://www.unpri.org>