



Global Compact Network
Australia

2014

ANNUAL REPORT

Lead. Enable. Connect.

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About the Global Compact

The United Nations Global Compact (UNGC) is the world's largest corporate sustainability initiative, with over 8,000 business signatories and 4,000 non-business signatories globally, and growing. The UNGC is both a strategic policy platform for demonstrating sustainability leadership and a practical 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, and supporting UN goals including in relation to sustainable development.

The business-led **Global Compact Network Australia** (GCNA) brings an Australian voice to the Global Compact, and plays a crucial role in rooting the Global Compact principles in the Australian and regional context.

The GCNA facilitates and coordinates learning, development and knowledge exchange around corporate sustainability and citizenship best practice to provide practical support to Australian businesses in understanding and embedding the Global Compact principles into their business practices and strategies.

The GCNA also creates opportunities for multi-stakeholder engagement and collective action around issues of corporate sustainability. We do this through a platform for dialogue, learning and influence that is inclusive, practical and leading edge.

The GCNA also works with other Global Compact networks around the world to advance sustainable business models and markets, and to connect Australian businesses with on-the-ground contacts and insights in overseas jurisdictions where they operate.

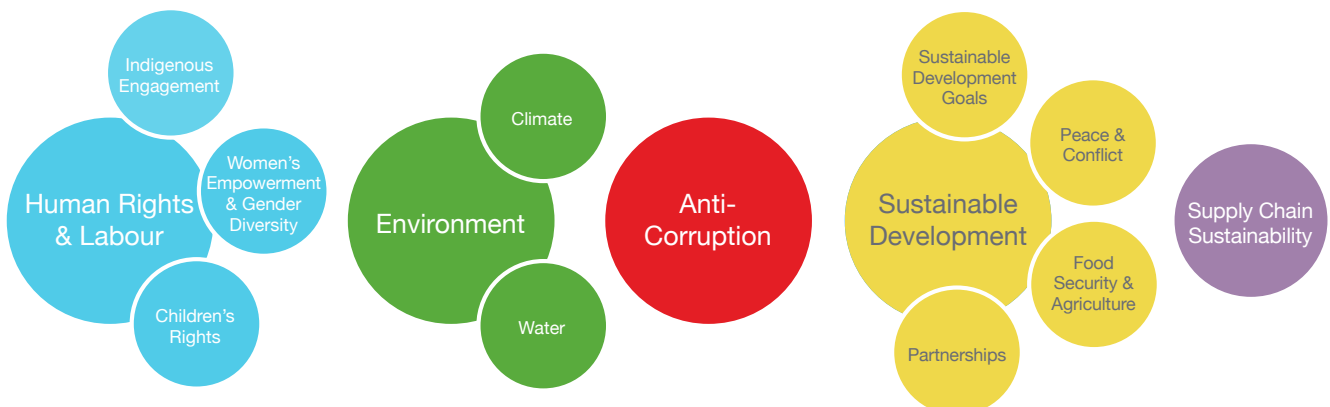
Our Vision

The UN Global Compact Network in Australia is the leading driver of effective business practices that deliver social, economic and environmental gains.

Our Mission

We lead, enable and connect business, government and civil society to practically apply the principles of the UN Global Compact.

OVER
12,500
PARTICIPATING
ORGANISATIONS
IN MORE THAN
145
COUNTRIES



Member Benefits

Membership of the Global Compact Network Australia gives organisations the opportunity to be actively engaged in the world's largest corporate sustainability initiative. Other benefits include:

Collaborate, learn and network

- Membership of a strong and growing network of leading Australian corporates, together with SMEs, non-profits and universities.
- Priority access to regular forums, workshops, dialogues and other events convened directly by the GCNA and in partnership with others. Registration at most GCNA events is complimentary for members.
- Access to international events and forums.
- Access to peer learning networks and opportunities to share knowledge and best practice, case studies, resources and experiences through the GCNA's Leadership and Working Groups.
- Access to a network of professionals who can provide feedback and guidance on your corporate responsibility, citizenship and sustainability initiatives and challenges.

Demonstrate leadership and profile your achievements

- Opportunities to demonstrate commitment and leadership on sustainability issues through the GCNA website, events and projects.
- Recognition on the GCNA website with your corporate logo and profile.

Advocacy

- Being part of the GCNA as it leads and shapes national and international dialogue on critical corporate sustainability issues, including business and human rights and the private sector's role in sustainable development.
- Representation by the GCNA in relation to the UN Global Compact's issue areas of human rights, labour and anti-corruption, and the broader issues of the role of business in society and in relation to sustainable development.
- Opportunities to collectively influence the corporate sustainability and responsibility agenda in Australia.

Tools and templates

- Access to tools, resources and support for implementing and reporting on your organisation's progress in relation to the UN Global Compact principles.

Governance

- Opportunities to participate in the governance of the GCNA, including nominating representatives to Board, Leadership Group or Expert Advisor positions.

Global connections

- Support connecting with Global Compact networks and their members around the world.

“Increasingly, as companies, you are embracing the Global Compact not because it makes for good public relations, or because you have paid a price for making mistakes. You are doing so because in our interdependent world, business leadership cannot be sustained without showing leadership on environmental, social and governance issues.”

UN Secretary-General Ban Ki-moon

Chairperson's Report

Catherine Hunter

Welcome to the 2014 Annual Report of the Global Compact Network Australia (GCNA).

2014 has been a year of growth for the GCNA. In addition to welcoming a number of new members and partners, our activities have continued to grow in reach and impact. This is indeed an exciting time for the network.

Internationally, we are seeing some significant shifts in the global operating environment. As economic power shifts from west to east and resource stress continues to worsen as the global population and demand grows, the private sector is increasingly called upon to provide solutions to global challenges - challenges that call for leaders who will inspire the confidence needed to drive sustainable and insightful change.

Companies who are genuinely embracing sustainability will be well placed to capitalise on the opportunities this offers. As the world's leading corporate sustainability initiative, the Global Compact offers the best practice framework for business engagement in sustainability and development. With increasing stakeholder expectations for business to act in the 'right' way, adherence to the principles of the Global Compact can increasingly reduce corporate risk and improve governance, while enhancing positive outcomes for both business and society.

In this context, energy around the Sustainable Development Goals has continued to build both locally and globally, with business clearly recognised as a critical partner in implementation efforts. The Global Compact has played a key role in ensuring the business voice has been brought to the international negotiations. The GCNA's activities in the coming year will provide significant opportunities for members to engage in national and international dialogue on the Goals, what they mean for Australia and the opportunities for business to support and engage with them.

The GCNA's strategy continues to focus on ensuring a sustainable financial model for the network through membership growth and the pursuit of other funding streams, enhancing opportunities for member engagement, and building strategic partnerships with key stakeholders. Our partnership with the Australian Human Rights Commission is one such collaboration that has added enormous value to our network and is deeply appreciated.

As we develop our broader program of activities for 2015, we welcome input from our members as to what you would like to see us focus on.

As foreshadowed last year, 2014 saw the roll out of a collaborative funding model with the UN Global Compact Office in New York and a number of Global Compact networks around the world, including the GCNA.



A handwritten signature in black ink, which appears to read 'Catherine Hunter'. The signature is fluid and cursive, with a large, stylized 'H'.

Catherine Hunter
Head of Corporate Citizenship
KPMG Australia
Director and Chairperson
Global Compact Network Australia

Chairperson's Report continued

While this did give rise to certain challenges, we have provided member feedback on the model to New York and are pleased to confirm that next year's funding approach will reflect much of that feedback.

I would like to acknowledge the significant contributions of Greg Welsh and Olivia Tyler who retired from the GCNA Board during the year. Greg served on the GCNA Board as Director, Deputy Chair and Treasurer for over three years, from the GCNA's incorporation in February 2011 until his departure from Sebel Furniture in May 2014. Olivia served as a Director of the GCNA from October 2012 until March 2014, and was Chair of the GCNA's Environment Leadership Group.

I would also like to thank my colleagues on the Board, who continue to be passionate advocates for the Global Compact, and make significant contributions in time, energy and expertise.

My deep thanks also go to our Executive Manager, Alice Cope, who celebrated her first year in the role with the GCNA in May. Our progress and success over the past year is a credit to Alice's dedication and commitment.

In closing, I would like to thank all of the GCNA's members. Your continued support through membership, hosting of events, speaker contributions and participation is critical to our continuing success. The collaboration with business, civil society, government and other stakeholders is essential to achieving the ambitious development agenda before us.

We look forward to your continued engagement and leadership.

Executive Manager's Report

Alice Cope

The past year has proven to be the busiest yet for the GCNA. During the year, we convened 15 events with over 450 participants, continued to grow and engage our membership base and have been involved in national and international dialogues around corporate sustainability as a critical driver to achieving a sustainable future.

This is truly an exciting time to be part of the Global Compact.

The Global Compact continues to grow internationally and in Australia, and is increasingly recognised as the leading global framework for corporate sustainability and citizenship. The GCNA's voice is strengthening in public dialogues, and we were pleased to be invited to appear before the parliamentary inquiry into the role of the private sector in Australia's aid program. We were especially encouraged by the strong interest in the Global Compact from the parliamentarians undertaking the inquiry. GCNA Director, Rachel Nicolson, also represented the GCNA at the B20 Summit.

Over the last year, we have also had the privilege of hosting a number of international sustainability leaders at exclusive GCNA events. Helen Clark, Administrator of the UN Development Programme and former Prime Minister of New Zealand; Jeffrey Sachs, Director of The Earth Institute at Columbia University; Dr Alexandra Gualqueta, Chair of the UN Working Group on Business and Human Rights; and Lord Michael Hastings, KPMG International's Global Head of Corporate Citizenship, have all shared their insights and expertise with GCNA members over the past year.

In July 2014, the GCNA also convened, in partnership with the Australian Human Rights Commission, over 100 representatives of business, government, NGOs and academia at the inaugural Australian Dialogue on Business and Human Rights, Australia's first national, multi-sector, multi-stakeholder dialogue on the issue. The Dialogue had significant engagement from all stakeholder groups, with participants keen to see the GCNA continuing to lead the business and human rights dialogue in Australia. We are now looking forward to convening a second national dialogue in 2015.

The past year also saw the launch of the GCNA's Indigenous Engagement Working Group, comprising companies who are actively promoting Indigenous rights and opportunities, together with Mick Gooda, the Aboriginal and Torres Strait Islander Social Justice Commissioner and his team, and Reconciliation Australia. The IEWG aims to promote leading practices for Indigenous engagement in Australia, and to leverage and translate the UN Global Compact's *Business Reference Guide to the UN Declaration on the Rights of Indigenous People* into the Australian context.

Our Human Rights, Anti-Corruption and Environment Leadership Groups have also remained innovative platforms for sharing knowledge and improving practices. Their work plans for the coming year are ambitious, as we continue to provide opportunities for members to share their own challenges and successes and hear from and engage with leaders and experts.



A stylized, handwritten signature in black ink, appearing to read 'Alice Cope'.

Alice Cope

Executive Manager

Global Compact Network Australia

Executive Manager's Report continued

The Global Compact is also playing a central role in discussions around the role of business in the global development agenda as the Sustainable Development Goals are negotiated. The private sector is increasingly being called on to catalyse sustainable economic growth domestically and globally, particularly in the world's most disadvantaged areas. There is significant potential for business to contribute to economic growth, but this must be based on principles of corporate responsibility, and the Global Compact provides the leading global best practice framework in this regard. The GCNA's members are already playing an important role in contributing to solutions to local and global challenges, and we look forward to supporting them in these efforts and sharing their successes through our platform.

The GCNA was founded by businesses to help them realise their corporate sustainability potential. The GCNA continues to grow because of our members' commitment to sustainability outcomes, and we welcome input and ideas from our members at any time.

In closing, I would like to note my sincere thanks to Catherine Hunter, Chair of the GCNA and the rest of the GCNA Board for their commitment, leadership and support. Our Board members dedicate significant time and energy to the GCNA and are major contributors to our continuing success.

I look forward to working with you all over the coming year as our members consolidate their place as Australian corporate sustainability leaders and as the GCNA emerges as Australia's leading hub for corporate sustainability and citizenship.

Board of Directors

Catherine Hunter

Director, Chair and Australian Network Representative

Head of Corporate Citizenship
KPMG Australia

Richard Boele

Director and Company Secretary

Managing Director
Banarra

Megan Christensen

Director and Chair, Human Rights Leadership Group

Group Manager Corporate Sustainability
Oil Search

Alison Ewings

Director and Chair, Environment Leadership Group

Head of Sustainability
Westpac

Rachel Nicolson

Director and Chair, Anti-Corruption Leadership Group

Partner
Allens

Vanessa Zimmerman

Director and Expert Advisor Human Rights

Group Advisor Human Rights
Rio Tinto

Board Committees

In 2014, the board established two new sub-committees:

Nominations and Governance Committee

Catherine Hunter
Megan Christensen
Alison Ewings
Vanessa Zimmerman

Finance, Risk & Audit Committee

Richard Boele
Rachel Nicolson

Board meetings

Seven Board meetings were held between 1 July 2013 and 30 June 2014.

Retired Directors

The following Directors retired during the year, and the GCNA thanks them for their valuable contributions:

Greg Welsh
Matthew Tukaki
Olivia Tyler

Leadership Groups

The GCNA's Leadership Groups drive most of our activities, and we thank our Steering Committees for their significant contributions over the last year.

Human Rights Leadership Group Steering Committee	Environment Leadership Group Steering Committee	Anti-Corruption Leadership Group Steering Committee
Megan Christensen (Chair) Group Manager Corporate Sustainability Oil Search	Alison Ewings (Chair) Head of Sustainability Westpac	Rachel Nicolson (Chair) Partner Allens
Richard Boele Managing Director Banarra	Darragh Brennan Manager Corporate Affairs and Sustainability Solaris Paper	Michael Ahrens CEO Transparency International Australia
Vanessa Zimmerman (Expert Advisor Human Rights) Group Advisor Human Rights Rio Tinto	Mark Lyster Director Net Balance	
	John Tomac Partner PwC Australia	

Network Membership

The GCNA continues to grow, and has welcomed the following new members since 1 July 2013: An Mea International, Brambles Limited, Centre for Equality, Commonwealth Bank of Australia, Lend Lease Corporation, NACC Sustainability People, National Australia Bank, Paper Force (Oceania), Shell Australia, Transurban, Visy Industries and WaterAid Australia.

Members	
Accenture Australia	Lend Lease
Allens	Landell
An Mea	NACC Sustainability People
Australian Centre for Corporate Social Responsibility	National Australia Bank
Australia Post	Nestlé Australia
Banarra	Oil Search Ltd
bankmecu	Paper Force (Oceania)
Barangaroo Delivery Authority	Plan International Australia
BHP Billiton	PwC Australia Red
Brambles	RedR Australia
Business and Professional Women Australia	Rio Tinto Limited
Centre for Equality Ltd	Shell Australia
Commonwealth Bank of Australia	SMEC Holdings
CPA Australia	Solaris Paper
Deakin University	St James Ethics Centre
Fortescue Metals Group Limited	Telstra Corporation
Futureye Pty Ltd	The GPT Group
Generation Alliance	The University of Melbourne
GHD	Transurban International
Glencore Coal	Treasury Wine Estates
Griffith University	Visy Industries
Inner Northern Group Training	WaterAid
Innovia Securities	Westpac Banking Corporation
Institute of Chartered Accountants Australia	Woolworths Ltd
International SOS	World Vision Australia
KPMG Australia	Worley Parsons Limited
La Trobe University	

Activities

July 2013

Anti-Corruption Leadership Group: What does the regulator expect? (Melbourne and Sydney)

Hosted by Allens

Corruption and bribery remain significant challenges for Australian businesses throughout their operations. These forums offered participants the chance to understand the regulator's expectations, through a presentation by and discussion with Graeme Gunn, Senior Legal Officer with the Financial Crime Section of the Criminal Justice Division in the Australian Attorney-General's Department. Participants then explored a case study, facilitated by global anti-corruption coalition Transparency International Australia.

Panellists and facilitator:

Graeme Gunn, Senior Legal Officer, Financial Crime Section, Criminal Justice Division, Commonwealth Attorney-General's Department; **Peter Willis**, Commercial Barrister and Director of Transparency International Australia (Melbourne); **Michael Ahrens**, CEO, Transparency International Australia (Sydney); **Rachel Nicolson**, Partner, Allens (Melbourne); **Andrew Byrne**, Senior Associate, Allens (Sydney).

October 2013

CEO Lunch with Helen Clark, Head of UN Development Programme (Sydney)

Hosted by KPMG

This CEO and senior executive roundtable lunch provided an opportunity for GCNA members to share and explore private sector perspectives on sustainable development, and how the UN can enhance its business partnerships to tackle global challenges, including through harnessing corporate sustainability efforts.

Helen Clark, Administrator of the United Nations Development Programme and former Prime Minister of New Zealand shared insights into the challenges and opportunities of UN – private sector partnerships and engagement.

Human Rights Leadership Group: Mining and Human Rights Workshop (Brisbane)

In collaboration with the Minerals Council of Australia

The GCNA and the Minerals Council of Australia launched a joint publication, *The Australian Minerals Industry and Human Rights: Managing Human Rights Risks and Opportunities through the UN Guiding Principles on Business and Human Rights*, at a half-day workshop.

The workshop and publication highlighted specific examples of how the Australian minerals industry is implementing its human rights responsibilities under the UN Guiding Principles on Business and Human Rights and why some companies in the industry have been acknowledged as global early leaders in responding to these Principles.



(Left) Professor Jeffrey Sachs speaks about the role of business in sustainable development; (Right) Alice Cope (Executive Manager, GCNA), Catherine Hunter (Chair, GCNA and Head of Corporate Citizenship, KPMG Australia), David Fredericks (Deputy Secretary, Commonwealth Attorney-General's Department), Tim Costello (CEO, World Vision Australia), Alexandra Guaqueta (UN Working Group on Business and Human Rights), Sam Mostyn (Non-Executive Director), Phil Edmands (Managing Director, Rio Tinto Australia) and Gillian Triggs (President, Australian Human Rights Commission) at the Australian Dialogue on Business and Human Rights.

Activities continued

November 2013

Environment Leadership Group: Sustainable Agriculture Business Principles: Australian Consultation Workshops (Sydney and Melbourne)

Hosted by Westpac (Sydney) and Treasury Wine Estates (Melbourne)

These workshops provided an opportunity for participants to provide input into the development of the UN Global Compact's proposed Sustainable Agriculture Business Principles.

The principles have since launched as the Food and Agriculture Business Principles, and have set a global benchmark for sustainability in the food and agriculture sectors and value chains.

The principles align with international frameworks and agendas and will provide a basis for business input into intergovernmental processes such as the Committee on World Food Security and aligning corporate strategies and efforts toward the SDGs.

Facilitator: Howard Parry – Husbands (Managing Director, Pollinate)

December 2013

Transparency International's 2013 Corruption Perceptions Index (National Webinar)

Hosted by Plan International Australia

This interactive webinar provided an overview of Transparency International's 2013 Corruption Perceptions Index. The Corruption Perceptions Index is the leading global indicator of public sector corruption, ranking 177 countries on their relative degree of corruption. The webinar discussed Australia's ranking, where members' countries of operation ranked, the implications

for business and how the private sector can use the index to help manage risk.

Panellists: Michael Ahrens, Chief Executive, Transparency International Australia; Rachel Nicolson, Partner, Allens and Director and Chair, Anti-Corruption Leadership Group, Global Compact Network Australia.

Australian Launch of the UN Global Compact's Business Guide to the UN Declaration on the Rights of Indigenous Peoples (Sydney)

In partnership with the Australian Human Rights Commission

Hosted by KPMG

The UN Global Compact's *Business Reference Guide to the UN Declaration on the Rights of Indigenous Peoples* was launched in Australia at an event with the Australian Human Rights Commission, at which the Aboriginal and Torres Strait Islander Social Justice Commissioner, Mr Mick Gooda, launched his annual report and delivered a keynote address on "Rights, Relationships and Responsibility – an agenda for change."

The UN Global Compact's Guide aims to increase understanding among business of the rights of Indigenous peoples and to provide practical suggestions for respecting and supporting these rights, and its launch also instigated the establishment of the GCNA's Indigenous Engagement Working Group.



Lynne Duckham (Manager Sustainability, Australian Food and Grocery Council), Richard Boele (Director, GCNA and Managing Director, Banarra) and Armineh Mardirossian (Head of Corporate Responsibility, Woolworths) speak on managing human rights risks in the supply chain.

Activities continued

March 2014

Anti-Corruption Leadership Group: Afternoon Tea with Sam Koim, Chairman of Taskforce Sweep, PNG's Anti-Corruption Investigation Unit (Sydney)

Hosted by Allens

This event provided a unique opportunity for members to discuss anti-corruption measures with Mr Sam Koim, Chairman of Taskforce Sweep, PNG's Anti-Corruption Investigation Unit and Principle Legal Officer at Papua New Guinea's Justice and Attorney-General's Department.

This forum provided an overview of Task Force Sweep's investigation and prosecution of corruption in Papua New Guinea, and explored ongoing challenges and opportunities for business in relation to anti-corruption in Papua New Guinea.

In Conversation with Lord Michael Hastings (Sydney)

Hosted by KPMG

Global corporate sustainability leader, Lord Michael Hastings of Scarisbrick, CBE, Global Head of Corporate Citizenship, KPMG International, former BBC journalist and lifelong activist, shared his insights and reflections on the responsibilities, opportunities and challenges business face in helping to solve the world's most complex problems.

Lord Hastings also brought global insights from the World Economic Forum where he sits on the WEF's Global Corporate Citizenship Committee and the UN Global Compact Leaders Summit where he moderated proceedings.

May 2014

Managing Human Rights Risks in the Supply Chain (Sydney)

Hosted by Lend Lease

Ensuring respect for human rights, including through the supply chain, is a fundamental principle of the UN Global Compact and critical in terms of corporate responsibility, reputation and risk management. This practical forum, focused on learning and capacity building, provided participants with insights from some of Australia's leading companies on their experiences in addressing human rights risks in their supply chains and provided an opportunity for sharing and dialogue on key challenges, opportunities and responses.

The forum involved participants in a hypothetical case study to further explore the issues, approaches and relevant tools and resources available to companies in responding to this key risk.

Panellists and facilitators:

Armineh Mardirossian, Head of Corporate Responsibility, Woolworths Limited; **Ann Austin**, National Sustainability Manager - Australia, Lend Lease; **Lynne Duckham**, Manager Sustainability, Australian Food and Grocery Council; and **Richard Boele**, Managing Director, Banarra.



(Left) Catherine Hunter (Chair, GCNA and Head of Corporate Citizenship, KPMG Australia) speaks at the Jeffrey Sachs lunch; (Right) Rosemary Bissett (Head of Sustainability Governance & Risk, National Australia Bank), Armineh Mardirossian (Head of Corporate Responsibility, Woolworths), Richard Boele (Director, GCNA and Managing Director, Banarra), Megan Christensen (Director, GCNA and Group Manager Corporate Sustainability, Oil Search) and Christina Hill (Mining Advocacy Coordinator, Oxfam Australia) discuss the corporate responsibility to respect human rights at the Australian Dialogue on Business and Human Rights.

Activities continued

May 2014

Accounting for Sustainability: The Role of Accountants in Creating Sustainable Businesses (Sydney)

In partnership with the
Institute of Chartered
Accountants Australia

Jessica Fries, Executive Chair of the Prince of Wales' Accounting for Sustainability initiative, shared her views on the changing role of the accountant, what skills finance teams can bring to address sustainability challenges, and how finance and sustainability teams can partner effectively to create strong and sustainable business models. The discussion drew on insights from companies involved in Accounting for Sustainability's CFO Leadership Network as well as the IIRC's integrated reporting pilot programme, sharing examples of what has worked and what hasn't.

This event built upon the increasing focus on the role of accountants and accounting as key to an effective response to environmental and social issues, whether through integrated reporting or 'future proofing' decision-making. It generated a greater understanding of the relevance of sustainability to finance teams' day-to-day responsibilities and also how sustainability teams can work more effectively with finance.

Jeffrey Sachs on strengthening the private sector's role in sustainable development (Melbourne)

In partnership with
the UN Sustainable
Development Solutions
Network and Monash
Sustainability Institute

Hosted by KPMG

Acclaimed international economist, Professor Jeffrey Sachs, is one of the world's leading experts on sustainable development. At this corporate lunch, Professor Sachs shared how business is contributing to the new sustainable development agenda globally, and explored the critical role of, and opportunities for, businesses engaging in development.

The event further highlight that as we approach the end date for the Millennium Development Goals in 2015, the United Nations,

governments, civil society and the private sector are mobilising to shape new development priorities and approaches. It underscored how corporate efforts that contribute to development goals are critical to growing sustainable and inclusive markets around the world. Businesses also recognise the value-creation potential of elevating their missions and strategies to align with global priorities, producing outcomes that benefit society and the economy and drive long-term business success.

June 2014

Anti-Corruption Leadership Group: Panel of Federal Regulators on their Anti-Corruption Enforcement Approach (Melbourne and Sydney)

Hosted by Allens

These forums provided an opportunity to hear from representatives from the key federal government bodies on their roles in administering anti-bribery and corruption laws, their co-operative approach to enforcement and their priorities and areas of focus. The discussion explored questions such as, when should a company approach the AFP if there are whispers of corruption? Do businesses get credit for co-operating with the regulators? Does it matter whether businesses have comprehensive anti-bribery policies and procedures? And are there any changes to Federal anti-bribery laws in the pipeline?

Panellists and facilitators:

Linda Champion, Manager Fraud and Anti-Corruption, Australian Federal Police; **Tom Sharp**, Senior Legal Advisor, Federal Attorney-General's Department; **Chris Savundra**, Senior Executive Leader - Markets Enforcement, ASIC; **Rachel Nicolson**, Partner, Allens and Director, Global Compact Network Australia.

Activities post-June 2014

Since the end of the 2013/2014 financial year, the GCNA has also convened the following events:

July 2014

Security and Human Rights Workshop

Hosted by the Department of Foreign Affairs

Women's Empowerment Principles: Equality Means Business Event

In partnership with the Australian Chamber of Commerce and Industry, the Australian National Committee for UN Women, BPW Australia and other partners

National Webinar: Introduction to the UN Guiding Principles on Business and Human Rights

Australian Dialogue on Business and Human Rights

In partnership with the Australian Human Rights Commission (see note below)

September 2014

Environment Leadership Group: Megatrends: Linking sustainability strategy and risk

Hosted by Telstra

October 2014

Women's Empowerment Principles Summit 2014

In partnership with the Australian National Committee for UN Women

Australian Dialogue on Business and Human Rights | In partnership with the Australian Human Rights Commission

In July 2014, the Global Compact Network Australia (GCNA) and the Australian Human Rights Commission (the Commission) convened over 100 representatives of business, government, NGOs and academia at the Australian Dialogue on Business and Human Rights (the Dialogue), Australia's first national, multi-sector, multi-stakeholder dialogue on the issue and the GCNA's most significant event to date.

The Dialogue represented the largest cross-sectoral Australian gathering convened to discuss progress and challenges in addressing business impacts on human rights and the implementation of the UN Guiding Principles on Business and Human Rights. It was also an opportunity to contribute Australian perspectives to regional and international dialogue on human rights including through the participation of the UN Working Group on Business and Human Rights.

Over 100 people participated in the Dialogue, the majority from business and industry, and with significant participation also from government, NGOs/civil society, academia, national human rights institutions and the United Nations.

The Dialogue heard from 27 experts across seven topics, including the corporate responsibility to respect human rights, the role of government, access to remedy and grievance mechanisms, bringing a human rights lens to Indigenous engagement and human rights in the supply chain.

The Dialogue highlighted that the discussion has largely moved beyond 'why' business should respect human rights, to the practical questions around 'how' to effectively do so. Key challenges include scaling up good practice (within companies, within industries and from larger companies to small and medium enterprises (SMEs)), translation of what human rights issues mean in practice (both within businesses and between business and civil society) and policy coherence (avoiding a siloed approach within business as well as government).

Key opportunities include continuing the multi-stakeholder dialogue, sharing leading Australian practices internationally and further exploring what respecting human rights means in a developed country context such as Australia.

The Dialogue concluded with a commitment from all stakeholder groups to continue the conversation and strive to ensure Australian companies are seen as international leaders on business and human rights issues.

After the success of this inaugural Dialogue, the GCNA is looking forward to continuing to lead the Australian conversation around business and human rights at both the policy and practical implementation levels, and to convene a further national dialogue with the Commission in 2015.

Sponsored by Rio Tinto (Platinum Sponsor), KPMG and La Trobe Business School (Gold Sponsors).

Balance Sheet as at 30 June 2014

		As at 30 June 2014	As at 30 June 2013
Assets			
Current Assets			
Bank & Cash on Hand			
Bank Account	\$103,366		\$38,829
Payroll Cheque Account	\$0		(\$7,068)
Prepaid Expenses	\$839		
Total Current Assets		\$104,205	\$31,761
Debtors			
Trade Debtors	\$88,376		\$97,350
Total Debtors		\$88,376	\$97,350
Total Assets		\$192,581	\$129,111
Liabilities			
Current Liabilities			
Credit Cards	\$0		\$0
Total Current Liabilities			\$0
Creditors			
Trade Creditors	\$189		\$1,137
Total Creditors		\$189	\$1,137
GST Liabilities			
GST Clearing Account	(\$438)		(\$438)
ATO Integrated Account	\$16,785		\$837
Tax Liabilities (FY2011)	\$0		\$10
Total GST Liabilities		\$16,347	\$409
Membership Income Deferred			
Corporate Members	\$125,000		\$92,500
SME (21-200) Members	\$6,167		\$4,167
SME (10-20) Members	\$4,042		\$3,792
Academic Members	\$4,000		\$4,417
NGO Members	\$3,792		\$3,667
Total Membership Income Deferred		\$143,001	\$108,543
Payroll Liabilities			
Superannuation Payable	\$0		\$974
Total Payroll Liabilities			\$974
Total Liabilities		\$159,537	\$111,062
Net Assets		\$33,044	\$18,049
Equity			
Retained Earnings		\$18,049	\$63,477
Current Year Earnings		\$14,995	(\$45,428)
Total Equity		\$33,044	\$18,049

Profit and Loss Statement for the year ended 30 June 2014

	2013/2014	2012/2013
Income ¹		
Membership Fees		
Corporate Members	\$106,902	\$91,867
SME (21-200) Members	\$5,000	\$1,833
SME (10-20) Members	\$4,416	\$3,417
Academic Members	\$3,417	\$5,783
NGO Members	\$4,208	\$3,833
Trading Activities Income		
Leadership Group Fees	\$6,200	\$7,700
Projects and Partnerships	\$25,000	
Sponsorship	\$17,091	
Total Income	\$172,234	\$114,433
Other Income		
Interest Received	\$296	\$389
Total Other Income	\$296	\$389
Expenses		
General & Administrative Expenses	\$11,061	\$17,920
Bank Service Fees	\$236	\$162
IT & Communication Expenses	\$2,789	\$2,108
Professional Charges	\$3,947	\$3,622
Travel & Accommodation	\$23,778	\$29,515
Employment Expenses	\$115,723	\$106,924
Total Expenses	\$157,535	\$160,249
Net Profit/(Loss)	\$14,995	(\$45,428)

¹**Note:** As part of the move towards a collective funding model with the UN Global Compact Office in New York, the GCNA has realigned all of its memberships to the financial year.

Letter from the GCNA's auditors



17 September 2014

UN Global Compact Network Australia Limited
10 Shelley Street
SYDNEY NSW 2000

To the members

Re: 2014 Financial Statements and Audit

We are the auditors of the UN Global Compact Network Australia Limited and advise the following:

- No audit or review has been conducted on the financial report of the UN Global Compact Network Australia Limited for the year ending 30 June 2014; and
- UN Global Compact Network Australia Limited is a 'small company limited by guarantee' for the purposes of the Corporations Act 2001; and
- The Directors have elected to not have the financial report audited, as allowed under the Corporations Act 2001; and
- The Directors have reviewed the company's constitution and confirmed there is no separate requirement for an audit to be carried out.

LWM Auditing Pty Limited
Registered Company Auditors

Matthew Moore
Director

17 September 2014
Gosford

www.lwm.com.au

LWM AUDITING
Pty Limited
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The Ten Principles

of the United Nations 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

- 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.



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