CSR Europe’s Toolbox

Equipping Companies and Stakeholders for a Competitive and Responsible Europe

User Manual for the European Toolbox Roadshow
Join the European Toolbox Roadshow

Visit our website for more information on events organised by CSR Europe and national partners throughout Europe in 2009-2010

Explore the Toolbox online at www.csreurope.org/toolbox

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Foreword

Today's crisis brings our financial, economic and governance systems to an unprecedented moment of truth. Time has come for business, investors, governments, civil society, academia and the cultural and spiritual communities to engage in a new round of “glocal” diplomacy to rebuild trust and hope in the capacity of business and all players to compete with integrity and contribute to shaping a fair and sustainable society.

Europe’s strategy “To Make Europe a Pole of Excellence on Corporate Social Responsibility” (CSR) and the European Plans for Sustainable Production and Consumption are at the forefront of such a cultural shift. Their success greatly depends on our capacity to build competitive advantage through more and sometimes unconventional partnerships. What is at stake is Europe’s quest to serve its citizens, protect the environment and earn a just place in the world.

Fortunately, visionary leaders and practitioners around the globe, together with pioneering stakeholder organisations, have already started to turn societal pressures and expectations into new opportunities for sustainable growth with inclusive engagement and equitable outcomes for all. Under the umbrella of the European Alliance for CSR and through almost fifteen years of servant leadership by CSR Europe, hundreds of company and stakeholder practitioners are pooling together their vision and values, their know-how and courage, their trials and errors to give a new push to corporate social responsibility.

The power of their collaboration lies in co-building solutions towards true, long-term value creation. CSR Europe’s Toolbox is the starting point for accelerated action and innovation. Not only does it provide tools and practical recommendations; it also gives new hope that together we can nurture our societies and market systems through enlightened entrepreneurship and solidarity.

Viscount Etienne Davignon
Minister of State
Vice President Suez-Tractebel
President of CSR Europe

Commissioner Günter Verheugen,
Viscount Etienne Davignon and Commissioner Vladimir Spidla at CSR Europe’s European MarketPlace on CSR, November 2007
Introduction

Get Equipped for CSR – Join the European Toolbox Roadshow

Hundreds of business and stakeholder representatives from across Europe have worked closely together in twenty CSR Laboratories under the umbrella of the European Alliance for CSR. These Laboratories have strengthened dialogue and collaboration over the past two years between private, public and civil sectors willing to co-build innovative new approaches, knowledge, and practical tools for corporate social responsibility.

The first results of the Laboratories are now captured in CSR Europe’s Toolbox. It is designed to equip practitioners with innovative business tools and network models on topics such as enhancing employability, mainstreaming diversity, investing in eco-efficiency and promoting innovation and entrepreneurship. This User Manual divides the outputs of the Laboratories into five broad themes of key importance to business and society: creating an integrated workplace, developing human capital, engineering new business models, promoting sustainable production and consumption, and enhancing trust through open communication.

The tools presented in this Manual are also included in CSR Europe’s “Online Toolbox”, which can be accessed through our website. By making them publicly available, we hope to illustrate the strategic necessity of CSR for long-term economic and business success. Through the ongoing work of the Laboratories and the set-up of new projects, we aim to encourage other organisations to further develop innovative CSR practices with the goal of enhancing both their own competitiveness and that of Europe in the context of the current financial and economic crisis.

Therefore, we at CSR Europe together with our national partner organisations will organise a Toolbox Roadshow throughout Europe to further disseminate the new management tools to companies and stakeholders. We invite them to join hands in further innovating and building on these tools on the journey towards a more sustainable and responsible Europe 2020.

Lettemieke Mulder
Chair, CSR Europe’s Board of Directors
Director, External Affairs – Corporate Responsibility, Unilever

Kerstin Born
Executive Director
CSR Europe
Acknowledgements

We would like to take this opportunity to thank all participants involved in the CSR Laboratories in 2007-2008. Our deepest gratitude goes to the company and stakeholder representatives who have played a special role in these projects. Their commitment and collaborative attitude has made possible these valuable contributions towards a more competitive and responsible Europe.

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CSR Europe’s National Partner Organisations

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Governments and Public Authorities
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A healthy and diverse workforce breeds creativity and productivity
Mainstreaming Diversity in the Company

Fighting against discrimination and managing diversity, if part of the company’s strategy, are key to business development and performance.

L’Oréal, IMS-Entreprendre pour la Cité and CSR Europe launched this Laboratory to explore ways of mainstreaming Diversity Management within and across companies, focusing primarily on management processes across a range of diversity topics such as: recruitment, training, work/life balance, internal and external communication, evaluation, internal mobility, and Key Performance Indicators.

Did you know?
- When asked whether diversity initiatives have a positive impact on their business, the vast majority (83%) in a study of 495 companies that replied agreed that they did.
- 63% of companies with diversity policies in place say their workplace diversity has contributed to innovation and creativity in the company.
- Around 1 in 3 Europeans report witnessing discrimination or harassment in the past year, and 48% think that not enough is being done to fight this scourge.

GET EQUIPPED
Diversity Management Tools for HR Managers
- A “Do’s and Don’ts Guidebook” for company leaders, Human Resources (HR) and managers at all levels of the organisation to aid in the practical implementation of diversity and inclusion goals.
- A ‘How To Guide’ for hosting Diversity Career Fairs as a way of diversifying the more classical recruitment sourcing for potential discriminated candidates.
- A pilot session of a Local Diversity Event, which can be rolled out to other company subsidiaries in Europe.

Read about this tool at: www.csreurope.org/toolbox/diversity

Sylviane Balustre-d’Erneville
L’Oréal
Equality between Men and Women

Did you know?
• In 2005 the overall pay gap between men and women was 15% in the EU-27. The gap was 25% in private sector companies.
• Almost a third of women in the EU work part-time, compared to less than 1 in 10 for men.
• Women represent 59% of European Union university graduates.
• Only 12% of directorships in FTSE 100 companies are held by women, but this is double the figure from 2000.

Getting equipped
Practical Guidelines on Implementation and Management of Equal Opportunities Programmes
• Study on key barriers facing women in the workforce and in management roles in particular
• Guidelines aimed at granting career opportunities to women across different industries through practical support mechanisms, such as support and visibility to high potential women, coaching and mentoring schemes, committees and network implementation, work/life balance schemes

Read about this tool at: www.csreurope.org/toolbox/equality

Increasing equality between men and women in the workplace is a priority both for governments and businesses.

Building on CSR Europe’s business-to-business working group on Women in Leadership Positions, Sodalitas and IBM Italia have explored how to support companies in the implementation of gender equality and work/life balance programmes by comparing the group’s 10 key recommendations with the findings of a comprehensive study on the challenges faced by working women in Italy.

Manuela Puritani
IBM
Recruitment and Ethical Management of Foreign Workers

Foreign workers are one of the key resources available to fill certain skills gaps and contribute to economic development in destination countries. However, their professional mobility is often hampered by cultural, linguistic and bureaucratic obstacles.

To help employers and civil society better coordinate support for immigrants, Obiettivo Lavoro and Impronta Etica have investigated how to overcome barriers faced by all parties at each step of the integration process of foreign workers.

Did you know?
- Among migrant workers in Italy, a quarter of male employees and a third of female employees are in “undeclared employment”.
- Migrant workers are 2.5 times more likely to have ‘atypical’ work than the Italian average.
- In a 2003 study, migrant workers’ monthly wage was only half of the average wage and has since continued to decrease.

GET EQUIPPED
Step-by-Step Guidelines for Companies and Stakeholders
- Guidelines outlining: legality of entry and permanence of workers into destination countries; suitability of foreign workforce to fill vacant positions; and actual ability of foreign workforce to fully integrate into host countries (i.e. overcoming cultural and linguistic barriers).
- Mapping of the opportunities and added value for both companies and stakeholders in working with migrants.

Read about this tool at: www.csreurope.org/toolbox/foreignworkers
Wellbeing in the Workplace

Absenteeism, staff turnover, productivity and staff satisfaction are wellbeing-related concerns that many businesses struggle to overcome – and the costs of not doing so are surprisingly large.

Johnson & Johnson and CSR Europe launched this Laboratory to support companies in addressing the essential aspects of a wellbeing promotion strategy, such as prevention, identification and support, and reintegration in to the workplace. This work directly supports the European Commission’s ‘European Pact for Mental Health and Well-being’ (June 2008) which highlights the strong and direct links between mental and physical wellbeing and a competitive and responsible Europe.

**GET EQUIPPED**

Guide on Solutions to Wellbeing at Work

- Eleven straight-forward and practical tips for implementing a successful wellbeing strategy in any company, which can be used by human resource, health and safety and/or CSR managers
- Detailed analysis of the three elements of addressing mental health and wellbeing: Prevention; Identification & Support, and; Reintegration
- A collection of best practice examples to support the suggestions and recommendations of the Guidebook

Read about this tool at: [www.csreurope.org/toolbox/wellbeing](http://www.csreurope.org/toolbox/wellbeing)

**Did you know?**

- The WHO estimates that by 2020, depression will become the greatest cause of work-related disability, second only to heart disease as the leading cause of disability in general[11]
- Each case of stress-related poor health leads to an average of 30.9 working days lost[12]
- Employment costs related to mental health disorders in the EU were approximately €132 billion in 2004[13]
Human Capital: Empowering Knowledge
Skills development empowers people and powers the economy
Demographic Change

Did you know?
- EuroStat predicts that the median age of Europeans will increase from about 38 today to 48 by 2050.14
- In 2004, the EU had 1.8 million immigrants; 40 million more people will immigrate to the EU between by 2050, most of whom will be of working age.15
- Central and Eastern Europe will face the greatest population decreases, while Western Europe will have the greatest changes in demography.16

GET EQUIPPED
Interactive Maps to Measure and Respond to Demographic Risk
- Study of the EU’s 264 regions calculating the expected changes in demography and their consequences on regional location factors such as labour productivity, human capital, R&D innovation and more, over the next two decades
- Online platform and interactive ‘Demographic Risk Maps’ to help companies and public authorities integrate demographic factors into long-term strategy

Read about this tool at: www.csreurope.org/toolbox/demographicchange and www.demographic-risk-map.eu

Regions and companies alike are faced with the challenge of confronting and properly addressing issues associated with demographic change, as many skilled people exit the workforce and population movements shift the demand for and supply of labour.

The relevance to business strategy is clear, but until BASF, SAP and Evonik teamed up with econsense there was little preparatory work done in this field. The Laboratory, with supporting research from the Rostock Centre, has conducted an extensive study of the effects of demographic change in Europe and made the findings available through interactive online tools.

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Michael Pieper, BMW AG
European Alliance on Skills for Employability

Did you know?
- Over 40% of Europeans have no basic ICT skills, and 17 million Europeans are unemployed.
- The European IT industry employs 7.8 million people and is projected to add another million jobs by 2011.
- By 2010, the whole ICT sector in the EU expects a shortage of 300,000 qualified staff.

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Collaborative Model to Build Skills for Employability across Europe

Network model with four key activities:
- Increase the skill level of Europeans in the areas of information technology, technical ability and other modern employability-related skills
- Help develop curricula so that the process of skill creation becomes long-term and sustainable
- Support people in finding appropriate jobs, and in preparing for job placements
- Offer mentoring programmes, to help the transference of skills

Read about this tool at: www.csreurope.org/toolbox/employability and www.employabilityalliance.eu

To enhance access to employment and to raise productivity, the EU needs greater and more effective investment in human capital and lifelong learning. Partnerships between businesses and stakeholders to raise employability skills is key to success.

Microsoft, Cisco, State Street and Randstad have teamed up with Exin and Comptia to build the foundations of employability through a network based on a “value chain” approach in which each partner brings its core competencies. Activities are run at the national level under the leadership of a European Steering Group. To date the Alliance has established six national projects in Germany, France, Belgium, Luxembourg, the United Kingdom and Hungary, respectively.

Carsten Johnson
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Elena Bonfiglioli
Microsoft

Johanna Tzanidaki
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Jacinta McNicholas
State Street
Skills for Employability enhanced through Employee Community Engagement

KPMG, Citi and Freshfields Bruckhaus Deringer, with support from BITC/ENGAGE, have brought together organisations from across the UK and continental Europe to explore and demonstrate the value of employee community engagement (ECE) in terms of improving employability skills and competencies among disadvantaged and socially excluded groups.

Did you know?

• In 2001 the City of London received £283 million in community support from the corporate sector, including 71,000 person-days. Half of the companies surveyed (approx. 500) said improved employee morale was the greatest benefit of their community-support activities.
• Employee community engagement programmes can help to build on the basic skills which underpin employability, such as literacy and numeracy.
• Employee community engagement programmes help a range of groups targeted by the Growth and Jobs strategy.

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Best Practices in Employee Community Engagement and Volunteering

• Examples of outstanding ECE programmes involving cross-sectoral collaboration in Europe
• Strategic insight on the value of this form of community investment, its impact on both the business and society and how this is measured, its contribution to the EU Growth and Jobs agenda, and its role in delivering companies’ corporate responsibility commitments
• A newly launched website that hosts the findings and case studies of the Laboratory as well as an online toolkit enabling employers to deliver effective employee engagement programmes and policy recommendations

Read about this tool at: www.csreurope.org/toolbox/ece4employability and www.ENGAGEyouremployees.org
Enhancing Science Education in Schools

Science in Schools is a long-term strategic programme launched by IBM for aligning industry and government interests to increase the number of graduates entering careers in science and engineering. The priorities include: providing teachers with opportunities to gain first-hand experience of how Maths, Science, and Technology (MST) are applied in a wide range of jobs; fostering curiosity and interest in science among primary students; and focusing on developing girls’ interests in MST subjects. By collaborating across companies and with key stakeholders, the network builds on the work of individual organisations to achieve additional impact.

**Did you know?**
- Only 15% of Europeans are satisfied with the quality of science classes in school
- Children in the rest of the world are significantly more interested in science subjects than those in most European countries
- Boosting enrolment in scientific and technical fields of study is one of the objectives set by EU Ministers of Education in 2001 as part of their contribution to the Lisbon process; so it is crucial for European youth to acquire proficiency and knowledge in science subjects

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Collaboration across Companies to Enhance Science Teaching in Schools
- Collaborative networks with 30 organisations and MST education groups established in 10 countries (Austria, France, Germany, Ireland, Italy, Portugal, Netherlands, Spain, Sweden and the UK)
- Activities appropriate to the local context in each country and best practice sharing across Europe
- Online briefings for teachers and short teacher placements in industry
- Activities for schools under the umbrella of Engineers Week in spring 2009 to leverage existing company programmes

Read about this tool at: [www.csreurope.org/toolbox/scienceinschools](http://www.csreurope.org/toolbox/scienceinschools)
Stimulating an Entrepreneurial Mindset and Promoting Entrepreneurship Education

Entrepreneurial skills and attitudes are not sufficiently encouraged amongst young people. This has a negative impact on the long-term success of European economies. BUSINESSEUROPE initiated this Laboratory to explore concrete pathways by which businesses could support entrepreneurship education and the creation of a more entrepreneurial mindset.

Did you know?

• Small and medium-sized enterprises provide two-thirds of Europe’s jobs in the private sector and the large majority of new jobs are created by SMEs.
• The proportion of workers who are nascent entrepreneurs or owner-managers of a new business varies from 2% to 8.2% in the EU, compared to 9.6% in the US.
• Across the EU, 60% of young people today say they are interested in entrepreneurship, but less than 5% of them have access to entrepreneurship education in Europe.

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Good Practices in Entrepreneurship Education across Europe

• Collection of best practices in the field of entrepreneurship education, focusing on innovative initiatives that actively involve businesses and/or business organisations
• Facilitation mechanism for connecting business volunteers and enterprise education programmes to ensure closer collaboration between companies and umbrella organisations such as Junior Achievement (JA) and the European Confederation of Junior Enterprises

Read about this tool at: www.csreurope.org/toolbox/entrepreneurship

Rebekah Smith
BUSINESSEUROPE
Responding to market needs requires pioneering new business models and partnerships that foster innovation, inclusion and growth
Sustainable Business at the Base of the Pyramid

Although a relatively new concept, Base of the Pyramid (BoP) projects are already in progress in many developing and transitional economies. Their focus on job creation, environmental sustainability, community support, and poverty alleviation indicates that BoP initiatives are naturally aligned with the UN’s Millennium Development Goals. Yet there is little cross-collaboration between developmental agencies and private-sector BoP initiatives.

CSR Europe, IMS-Entreprendre pour la Cité, Groupe Danone, Microsoft, Unilever and Vodafone launched this Laboratory to identify synergies and to explore opportunities to deepen collaboration between companies and other public and private actors.

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**Partnerships to enhance Communities and Businesses at the Base of the Pyramid**

- A Working Paper to explain BoP concepts and operations while exploring potential synergies between these initiatives and the European Commission’s development policies
- A listing and explanation of the best practices of participating companies, to support the recommendations of the Working Paper
- A strategic meeting hosted by European Commissioner Louis Michel together with heads of European Commission delegations and companies willing to co-develop experimental Base of the Pyramid projects with high potential of replication
- The EU-Africa Business Forum will act as an incubator and accelerator for Base of the Pyramid initiatives

Read about this tool at: [www.csreurope.org/toolbox/baseofthepyramid](http://www.csreurope.org/toolbox/baseofthepyramid)

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**Did you know?**

- If current trends continue, several (if not all) of the Millennium Development Goals will not be met by 2030, this is largely because of slow progress in Southern Asia and sub-Saharan Africa
- Approximately 1.4 billion people live at or below the poverty line of $1.25/day
- There are an estimated 4 billion people living on $3000 per annum, representing a multi-trillion euro market

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Laboratory Leaders and Facilitators together with Louis Michel, European Commissioner for Development and Humanitarian Aid, 8 May 2008, Brussels
Companies are increasingly cooperating with their suppliers to support their internal CSR capacities. This is not an easy task, as business has to cope with a myriad of environmental, social and governance (ESG) standards and other challenges.

Hewlett-Packard, L’Oréal, Titan and Volkswagen, supported by CSR Europe, the Business Social Compliance Initiative (BSCI) and the Hellenic Network for CSR, have developed a basket of materials available online to help supply chain practitioners enhance their CSR capabilities.

**Did you know?**
- European national governments – representing over €1,500 billion in spending on public procurement annually – are increasingly integrating ESG considerations into their tenders.
- Studies show that supply chain ‘glitches’ almost always have negative impacts on stock performance, and that ‘glitches’ stemming from suppliers are more negative than those caused internally.
- The ILO’s database on national labour, social security and human rights laws has over 65,000 entries.

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**Web Portal for Responsible Supply Chain Management**
- Key elements of a responsible supply chain management process
- User-friendly access to key international standards and principles
- Reference materials towards a responsible supply chain system
- Background information on issues such as overtime and child/forced labour

Read about this tool at: [www.csreurope.org/toolbox/supplychain](http://www.csreurope.org/toolbox/supplychain) and [www.csr-supplychain.org](http://www.csr-supplychain.org)
Financial Inclusion: Sustainable Services for Underserved Potential Customers

Underserved potential customers including migrant and temporary workers, low-income families and micro and social enterprises represent an opportunity to improve financial inclusion in the banking sector.

Associazione Bancaria Italiana (ABI) and Sodalitas embarked on this topic in order to identify the barriers which keep ‘un-banked’ and ‘underserved’ segments of society from full integration into the social and economic fabric of Italy.

**Did you know?**
- The migrant adult population in Italy increased by 21% between 2005 and 2007\(^\text{35}\)
- Today 30% of migrants in Italy are not financially integrated, however, two years ago this figure was closer to 50%\(^\text{36}\)
- Microfinance services, useful for migrants, are offered by a number of banks that corresponds to 70% of total assets and 73% of bank branches\(^\text{37}\)

**GET EQUIPPED**

Research Findings and Best Practices on Financial Inclusion

- Three surveys to assess both demand-side potential (e.g. migrants excluded from mortgages) and supply-side potential (e.g. bank services tailored to meeting the needs of vulnerable people) of the Italian banking industry
- Two comprehensive reports, based on the survey findings, to support the development of innovative and cost-effective approaches in product offering, service delivery and risk assessment
- Best practice examples from banks, public authorities and civil society

Read about this tool at: [www.csreurope.org/toolbox/financialinclusion](http://www.csreurope.org/toolbox/financialinclusion)
Business’ Involvement to Enhance Social Inclusion at the Local Level

Particularly difficult in many European communities is the ability of vulnerable and low income citizens, migrants, under-skilled workers and youth to become active participants in society and in the wider economy.

European savings banks, with their vast network and proximity business approach are well placed to identify and respond to community needs. Drawing on the collaborative work of its members, the European Savings Banks Group (ESBG) has explored the key success factors and lessons learnt from business involvement in local social projects.

**Did you know?**
- A 2008 EC study found that “financial exclusion is tightly linked to social exclusion […] Indeed, the access and use of basic a bank account and simple transactions are decisive to the integration of people in the current European society [sic]”
- Releasing the potential for micro-credit is one of the drivers for the EU strategy to support employment, growth, and the promotion of social inclusion
- Successfully fighting against social and financial exclusion requires concerted efforts from financial services providers, social and public authorities

GET EQUIPPED
10 Core Principles to Support Social Inclusion: Success Factors based on European Savings Banks’ Experience

- Best practice methods by which businesses can facilitate social inclusion for the marginalised and disadvantaged
- Focus on social entrepreneurship and the expansion of access to finance and financial services
- Focus on short- to medium-term support mechanisms that do not create dependency but foster independence and innovation

Read about this tool at: www.csreurope.org/toolbox/socialinclusion

Anne-Françoise Lefèvre
ESBG
The importance of innovation to long-term sustainable growth is well established, as is the importance of the role played by SMEs in this process. Improving knowledge transfer between research institutions and industry across Europe and enhancing open innovation are also key focus areas of the Lisbon Strategy.

ST Microelectronics, Bracco, Numonyx, and Sodalitas have joined forces with stakeholders - regional institutions and universities - to promote a culture of innovation and ensure that SMEs can benefit from knowledge transfer and gain access to advanced technology.

**Did you know?**
- In 2004, the private sector financed 64% of total R&D in the US, 67% in China and 75% in both Japan and South Korea, but only 55% in the EU.
- On average, the R&D budget of American SMEs is 7 to 8 times greater than that of small European firms.
- Small and medium-sized enterprises provide two-thirds of Europe’s jobs in the private sector and the large majority of new jobs are created by SMEs.

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**GET EQUIPPED**

**Model for Innovation Networks and “Enterprises x Innovation” Award**
- Guidelines based on success factors and obstacles identified during a series of hearings and interviews with ‘role models’ in the sphere of open innovation leading to practical recommendations on how to enhance the effectiveness of network-based innovation programmes
- “Imprese x Innovazione” award programme, based on the EFQM framework, launched by Confindustria to celebrate successes and support the innovative actions of SMEs by reaching out to over 10,000 Italian SMEs

Read about this tool at: [www.csreurope.org/toolbox/innovationnetworks](http://www.csreurope.org/toolbox/innovationnetworks)
Sustainable Production and Consumption: Treading Lightly
Reducing your footprint across the value chain brings financial, environmental and social benefits and creates business opportunities.
Eco-Efficiency

Small and medium-sized enterprises (SMEs) are facing continuous pressure on cost containment for maintaining business sustainability. Very often the initial capital costs of investing in efficient energy alternatives are quite high, but the experiences of large industries prove that such investments can have a very short return on investment.

Recognising this, ST Microelectronics, ABB, Telecom Italia, Enel, Indesit, and Sodalitas have gathered together eco-efficiency best practices from large multinationals and focused on making them transferable to SMEs.

Did you know?
- Europe currently wastes, at a minimum, 20% of its energy due to inefficient use.44
- The International Energy Agency reports that energy-efficient buildings, industrial processes and transportation could reduce the world’s projected energy needs in 2050 by one third, and be crucial in controlling global emissions of greenhouse gases.45
- Eco-efficiency improves environmental performance, helps companies to pre-empt market and regulatory trends, and contributes to long-term business sustainability.46

GET EQUIPPED

Eco-Energy-Efficiency Check-up Programme for SMEs
- User-friendly eco-efficiency indicators, available in CD-ROM format, to help SMEs improve their eco-footprint
- Guidelines built on the principle of 3-E’s (Ecology, Efficiency and Economy) addressing issues such as: how to measure consumption; identify improvement areas; define benchmarks; develop action plans; and monitor progress

Read about this tool at: www.csreurope.org/toolbox/ecoefficiency

Renato di Stefano
ST Microelectronics
Environment and the Financial Sector

The financial sector, being at the heart of the modern economy, plays a key role in the initiation and facilitation of new environmental practices. The Confederacion Española de Cajas de Ahorros (CECA) has coordinated a working group of 13 Spanish savings banks – led by Bancaja and Cajasol – to create a better understanding of the direct and indirect impacts of the financial sector on the environment.

Did you know?
- Munich Reinsurance estimates that the cost of climate related disasters have doubled every decade from $50 billion in the 1960s, when there were 16 disasters per year, to nearly $400 billion this decade, when there were 70.47
- The financial sector is one of the most exposed to climate change risks due to a lack of preparation both in terms of risk portfolios and changing consumer attitudes.48
- Financial institutions play a key role in facilitating and channelling investments to renewable energy efficient projects.49

GET EQUIPPED
- Research findings on the key direct and indirect impacts of the financial sector on the environment
- Information on industry-specific mechanisms to enhance profitability through lower costs and the securing of new business opportunities

Read about this tool at: www.csreurope.org/toolbox/environment_financialsector
Sustainable Marketing

Marketers, as communicators and influencers of culture, are in a gifted position to make a difference to their company’s Triple Bottom Line. However, marketing departments have traditionally been quite reluctant to integrate CSR and sustainability in their work.

BT, with the participation of companies such as Dassault Systemes, Sony and Danone, created this Laboratory to provide marketers with both basic and more advanced tools to put sustainable marketing into practice.

Did you know?

- 22% of Germans and Spanish take environmental aspects of products into account when shopping
- In the UK, ethical consumer spending grew more than threefold between between 1999 and 2006, from 9.6 to 32.2 billion GBP
- In France, 83% of consumers approve of no longer using plastic bags in retail shops

GET EQUIPPED

CSR Europe’s Sustainable Marketing Guide and 4Ps for 3 Ps Online 3D Game

- The business case for sustainable marketing – concrete benefits to the company and quantitative data from consumers across Europe
- A toolkit with practical tools ranging from basic sustainable marketing audits to advice on embedding sustainability within the company
- An online 3D game enabling marketers to put themselves in the shoes of consumers to help start brainstorming on how to more efficiently communicate the environmental aspects of the products to consumers

Read about this tool at: www.csreurope.org/toolbox/sustainablemarketing

Emma Williams
BT Group plc
Communication and Transparency: Competing for Trust
Open and honest communication is crucial to winning trust in an insecure market.
Proactive Stakeholder Engagement

Identifying and engaging relevant stakeholders is a challenge faced by many companies, but one which is critical to the relevance, credibility and innovation of its activities.

To support companies in this endeavour, Total, GDF SUEZ and Observatoire sur la Responsabilité Sociétale des Entreprises (ORSE) have used multi-stakeholder fora to better understand the current forms of engagement and the existing challenges.

Did you know?
- Over 30% of the blockages to CSR activities are internal, while only 8% stem from external partnerships (i.e. with stakeholders)\(^5\)
- Almost 40% of the world’s 1600 largest corporations discuss structured stakeholder dialogue in their CSR reports\(^5\)

**GET EQUIPPED**

**Mapping of Stakeholder Engagement Practices**
- Mapping of successful and unsuccessful experiences of engagement between corporations and key stakeholder groups such as NGOs, local authorities, consumer groups and trade unions
- A Guidebook, based on both operational and high level input, to summarise the conclusions of the Laboratory’s research and to provide options for innovative engagement mechanisms

Read about this tool at: [www.csreurope.org/toolbox/stakeholderengagement](http://www.csreurope.org/toolbox/stakeholderengagement)
While it is broadly accepted that environmental, social and governance (ESG) issues impact a company’s performance and share price, making this causal link in a manner useful for investors remains elusive and urgent.

The work led by Lloyds TSB and Telecom Italia – in conjunction with CSR Europe, the European Academy of Business in Society (EABS, through the sponsorship of Microsoft, Unilever, IBM, Shell, Johnson & Johnson), Cranfield School of Management, European Federation of Financial Analysts (EFFAS), Eurosif and Observatoire sur la Responsabilité Sociétale des Entreprises (ORSE) – makes the case that better mutual understanding between companies and investors around the sources of non-financial performance is a key driver for more accurate analysis of long-term business value.

Did you know?
- Capital markets are only as efficient as the information available to the market players.52
- Between 2002 and 2007 companies consistently participating in the CR Index outperformed, in terms of total shareholder return, the FTSE 350 by 3.3% to 7.7% each year.51
- Only 19% of investors and 27% of analysts found financial reports very useful in communicating the true value of companies.54

GET EQUIPPED
Framework to Bridge Communication Between Investors and Businesses
- A European Framework, 10 principles, and recommendations designed to facilitate the communication of Environmental, Social and Governance (ESG) factors to investors
- Academic research and high-level multi-stakeholder consultations on linking core ‘non-financial’ performance indicators and ‘traditional’ financial indicators

Read about this tool at: www.csreurope.org/toolbox/marketvaluation and www.investorvalue.org
Sectoral CSR Reporting

The tracking, comparison, and potential learning from CSR reports is largely hindered by a lack of standardised reporting, also at a sectoral level.

The Conferencia Española de Cajas de Ahorros (CECA), in partnership with 23 of its members and with leadership from Caja Granada and Caja Madrid, have addressed this issue by gathering data on the Spanish saving bank sector’s current reporting practices and exploring possibilities to streamline reporting across CECA’s network in line with the Sectoral Aggregate Reporting guidelines of the Global Reporting Initiative (GRI).

Did you know?
- The GRI reports that over 75% of people who read a company’s sustainability report perceive the company more positively after reading.
- Nearly 80% of the 250 largest companies worldwide issue CSR reports and an additional 4% integrate corporate responsibility information into their annual reports.
- There are about 100 different (CSR) standards that can be distinguished based on their geographical, sectoral, and workforce coverage.

GET EQUIPPED
Standardised Financial Sector Reporting Framework
- Recommendations to savings banks on what they should include, adapt or drop from their CSR reports in order to meet the G3 guidelines and to not overlap with other reported data
- Standardised reporting mechanism to increase stakeholder comprehension and transparency, based on a series of indicators focused on social, environmental, socio-economic and financial performance

Read about this tool at: www.csreurope.org/toolbox/sectoralcsrreporting
End Notes

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