



GLOBAL COMPACT NETWORK ITALY FOUNDATION

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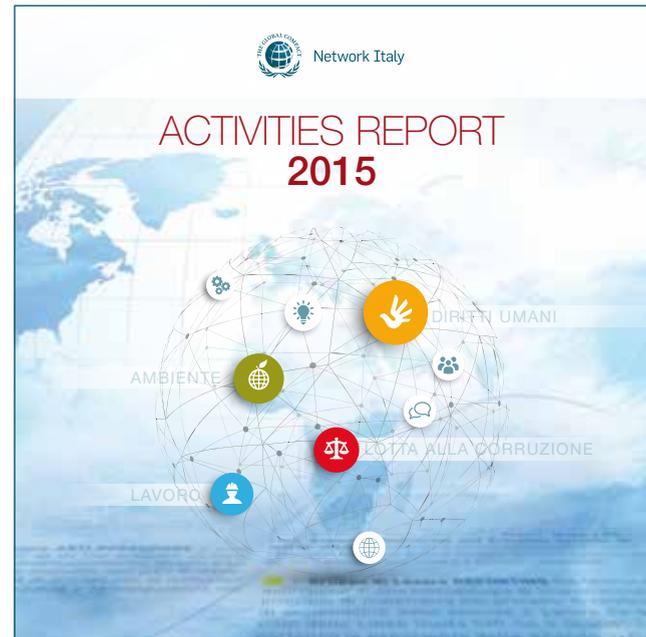
INTRODUCTION

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PRESENTATION OF THE REPORT

Every year, the Global Compact Network Italy Foundation produces an Activities Report intended for the New York Global Compact Office, all the organizations that subscribe to the Foundation, and the partner organizations and its internal and external stakeholders. The Report is set up as an important information-giving and communication tool concerning the Foundation's objectives, the governance system and the people involved as staff and contributors, the founders and the participants but, above all, concerning the state of the implementation of the initiatives that make up the Foundation's activity program and the results achieved

in the year referred to. In order to allow the reader the opportunity of following the organization's developments and to compare the objectives (general and specific) declared the previous year with the activities implemented and the results achieved in the following one, the Foundation's program guidelines for the year to come are presented at the end of every edition of the Report. Every year the Report also presents an introductory research paper about the United Nations Global Compact that represents the reference framework of all the Foundation's initiatives. The document is produced in both Italian and English and is mainly available in an electronic format. This third issue of the Report refers to the period dating from 1st January 2015 until 31st December 2015.



LETTER BY MARCO FREY

President of the Global Compact Network Italy Foundation



2015 was a very important year for sustainability, characterized by the encyclical *Laudato Si* (letter by the Pope), the enactment of the *Sustainable Development Goals* by the United Nations, the Paris Climate Conference, and the Conference on Financing For Development in Addis Ababa.

All these events will feature significantly in the coming years and have had an important impact on our Foundation's agenda. With regard to the objectives of sustainable development and the 2030 Agenda the central offices of the Global Compact have urged the national Networks to participate actively in the defining phase, and especially concerning their development and operational application. Our main task in this area is to highlight what the contribution of enterprises could be, of course in the multi-stakeholder perspective typical of the Global Compact. In this regard we initiated a planning guideline, in partnership with other networks who are leaders in sustainability, which was launched in 2015 and will be fully developed in the coming months, becoming one of the primary aims of our activities. Nor have we failed to provide our support to the promotion of the important event on climate in Paris, in particular by organizing a meeting, just after closing, which focused on what must be done in the future, as usual placing an emphasis on the role which our national companies should play. Still on the topic of finance, at the Ministry of the Environment's request, the Global Compact Network Italy Foundation has undertaken to be an active part of the *national dialogue on sustainable finance* which will lead to Italy's part of the UNEP report on designing a sustainability-oriented financial system. In this context, we will coordinate a working group on the issue of *disclosure* and governance by enhancing the efforts of recent years in some central areas of our activities.

In 2016 the implementation of the *Directive on non-financial aspects* is expected in Italy to which the Foundation has devoted itself and, in this context, in cooperation with the States General of the Green Economy, we are continuing our efforts in trying to encourage its best possible acceptance. In 2015, at Ecomondo, a workshop on ecosystem services was organized with the same States General, where we presented a report containing ten experiences of organizations that were able to make the most of natural capital in carrying out their activities. This is the third time the Italian network has produced a *best practices* report (after the one which received an award at the conference organized by the Global Compact at Rio + 20) and on this occasion

the initiative was particularly appreciated, also constituting an important Italian contribution to the European Commission's Platform on *Business & Biodiversity*.

More generally, in 2015, the Working Groups continued their activities, this being a feature of the Foundation. Concerning Reporting, the focus of the year was on the analysis of materiality, and experience-sharing workshops and reflections on some key themes and tools were organized on them. As planned, the activities on human rights which led to the production of training materials on the topic "*Business and Human Rights*" were restarted.

Finally, our most important project, the platform on the prequalification of suppliers witnessed the closure of the pilot phase and a strong increase in the firms present, topping a thousand.

During 2016, the Global Compact Network Italy Foundation will renew its bodies, and there will be the opportunity to broaden our activities and render their planning more participatory along with the pursuit of what everybody now recognizes to be the challenges for sustainability.



Marco Frey

*President of the
Global Compact Network Italy Foundation*

UNITED NATIONS GLOBAL COMPACT



DESCRIPTION OF THE INITIATIVE

“I propose that you, the business leaders gathered in Davos, and we, the United Nations, initiate a global compact of shared values and principles, which will give a human face to the global market”

(Kofi Annan, Secretary-General of the United Nations,
World Economic Forum, 31st January 1999, Davos)

The United Nations Global Compact is corporate citizenship’s broadest strategic initiative in the world.



It stems from the desire to promote a sustainable global economy: respectful of **human and labor rights**, **protecting the environment** and **promoting anti-corruption**. It was proposed, for the first time in 1999, at the World Economic Forum in Davos, by former UN Secretary General Kofi Annan, who, on that occasion, had invited the global economic leaders present at the forum to sign up to a “Global Pact” together with the United Nations, in order to address the most critical aspects of globalization in a spirit of cooperation. Never before had the desire to align the objectives of the international community with those of the private interests of the business world been proclaimed so clearly. Therefore, starting from July 2000, the United Nations Global Compact was operationally launched at the United Nations Building in New York. Since then **over 13,000 companies and organizations** from **more than 162 countries** around the world have joined, creating a new reality of global collaboration.

INITIATIVE PARTICIPANTS' STATUS <i>(data till December 31, 2015)</i>	
Total	13.324
Business Participants	8.381
Non-business Participants (Non-profit Participants)	4.943
No. Countries of Origin	162
COPs Submitted	35.548
Delisted Businesses	6.041

The United Nations Global Compact is:

in a broad sense:

- a **voluntary initiative** of allegiance to a set of principles (the *Ten Principles of the United Nations Global Compact*) that promote the values of sustainability in the long term through political action, corporate practices, responsible social and civil behaviours which also consider future generations;
- a **commitment**, signed by participating company directors with the United Nations, to contribute to a new phase of globalization characterized by sustainability, international cooperation and partnership in a multi-stakeholder perspective.

from an operational viewpoint:

- a **network** that unites governments, firms, United Nations agencies, trade unions and civil society organizations, with the aim of promoting the culture of corporate citizenship on a global scale;
- a **platform** for the processing of policies and guidelines for the management of sustainable economies and policies;
- an **operating structure** for firms that are involved in responsible business for developing, implementing, maintaining and spreading sustainable practices and policies;
- a **forum** within which to learn about, compare, and share business experience and critical aspects about globalization.

From this perspective the initiative aims to achieve two complementary goals:

- to make the United Nations Global Compact and its **Ten Principles** an integral part of the strategy and daily operations of the participating firms;
- to catalyze the actions in support of the new United Nations **Sustainable Development Goals**.

These two objectives are followed by requesting all the organizations involved participating in the United Nations Global Compact to commit themselves to:

1. bringing about all the necessary changes to make the Global Compact and its principles part of the strategy, culture and daily operations of the organization and promoting collective actions in support of the more general United Nations development goals;
2. promoting and spreading the Global Compact and its principles through communication channels such as press releases, public interventions, etc.;
3. communicating with their stakeholders, once a year (in the case of firms) or once every two years (in the case of stakeholder organizations), about the progress recorded in the implementation of the *Ten Principles* and with reference to the initiatives promoted to support the United Nations development goals.

THE TEN PRINCIPLES

HUMAN RIGHTS

PRINCIPLE I: Businesses should support and respect the protection of internationally proclaimed human rights; and

PRINCIPLE II: make sure that they are not complicit in human rights abuses.

PRINCIPLE III: alle imprese è richiesto di sostenere la libertà di associazione dei lavoratori e riconoscere il diritto alla contrattazione collettiva;

PRINCIPLE IV: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;

PRINCIPLE V: the effective abolition of child labour; and

PRINCIPLE VI: the elimination of discrimination in respect of employment and occupation

PRINCIPLE VII: Businesses should support a precautionary approach to environmental challenges;

PRINCIPLE VIII: undertake initiatives to promote greater environmental responsibility; and

PRINCIPLE IX: encourage the development and diffusion of environmentally friendly technologies.

ANTI-CORRUPTION

PRINCIPLE X: Businesses should work against corruption in all its forms, including extortion and bribery.

LABOUR

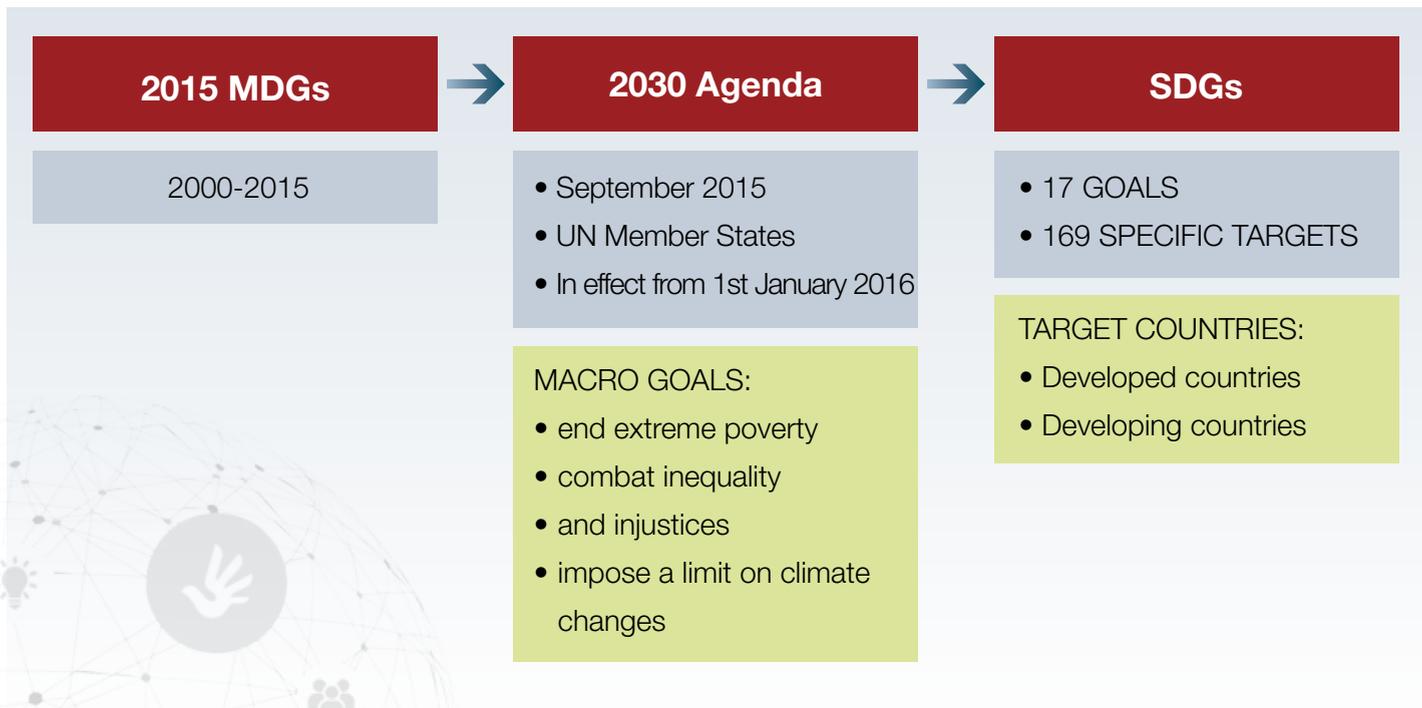
ENVIRONMENT

SUSTAINABLE DEVELOPMENT GOALS

“ This Agenda is a plan of action for **people, planet and prosperity**.
It also seeks to strengthen universal **peace** in larger freedom ”

The 2030 Agenda for Sustainable Development

The *Sustainable Development Goals (SDGs)* were launched by the United Nations (UN) in September 2015 as a *milestone* of the *2030 Agenda for Sustainable Development*. They replace the *Millennium Development Goals (MDGs)* on which the UN Member States worked during the first fifteen years of the Third Millennium.



“ An **intensive global engagement** in support of implementation of all the goals and targets, bringing **together** different actors and **mobilizing all available resources** ”

The 2030 Agenda for Sustainable Development



The **17th goal “Partnership for the Goals”** (global partnership for sustainable development) indicates the main route to sustainable development, that is collaborative and concerted action between various types of actors: from the United Nations System to national governments, from the private sector to civil society and non-governmental organizations.



More specifically, in the United Nations post-2015 Agenda, the **private sector** is referred to as “**a key actor**” for **sustainable development**. In what way, will the private sector respond to this new challenge?



THE PRIVATE SECTOR'S THREE WAYS TOWARDS SUSTAINABLE DEVELOPMENT:

INDIVIDUAL ACTION

COLLECTIVE ACTION

PUBLIC POLICY ACTION

DOING LESS HARM ↓ (less negative impact)/
DOING MORE GOOD ↑ (more positive impact on people and the planet)

“It’s great for businesses to **know what the priorities are** and, with the new goals, we’ve also got a **new platform for innovation and growth.**”

Lise Kingo, UN Global Compact Director

LOCAL NETWORKS

Local Networks are clusters of participants who come together to advance the United Nations Global Compact and its principles within a specific geographic area. They perform increasingly important roles in rooting the Global Compact within different national, cultural and linguistic contexts, and also in helping to manage the organizational consequences of the Global Compact's rapid expansion. Their role is to facilitate the progress of companies (both local firms and subsidiaries of foreign corporations) engaged in the Global Compact with respect to the implementation of the ten principles, while also creating opportunities for multi-stakeholder engagement and collective action. There are **86 Networks** at the moment.



HIGHLIGHTS 2015 UNITED NATIONS GLOBAL COMPACT

June
2015**LISE KINGO IS GEORGE KELL'S SUCCESSOR AS UNGC EXECUTIVE DIRECTOR**

On 25th June 2015, in New York, Ban Ki-moon, the United Nations Secretary General, announced the appointment of Lise Kingo as the new Executive Director of the Global Compact of the United Nations, stating that the new post would become effective from 1st September. At the announcement, the Secretary General thanked the outgoing Executive Director, George Kell, for his commitment to promoting the cooperation between the private sector and the United Nations and for the leadership with which he managed the Global Compact from its launch in 2000. On the same occasion, the UN Secretary-General expressed his firm conviction about the important contribution that the new Director General will give to the UN initiative, thanks to the wealth of her experience and passion for the Global Compact, combined with her extensive knowledge and understanding of strategic leadership and of the implementation of corporate sustainability through partnerships with key stakeholders.



Before becoming Executive Director of the UN Global Compact, Lise Kingo was Chief of Staff, Executive Vice-President and Member of the Executive Management at Novo Nordisk A/S. The Executive Management of which Kingo was a member recorded significant growth for its firm, bringing it up to the position of sixth largest pharmaceutical company in the world and the first with regard to the Nordic region for market capitalization. Also during her tenure at the company, Lise Kingo oversaw Novo Nordisk's joining the Global Compact and she promoted the integration of sustainability within corporate strategy (including that of "Changing diabetes" aimed at changing the way in which the disease is handled and how to defeat it). For her work in promoting sustainable business, Lise Kingo received the Edinburgh Medal and Tomorrow Magazine's Environmental Leadership Award.

June
2015

PUBLICATION OF THE "IMPACT: TRANSFORMING BUSINESS, CHANGING THE WORLD - THE UNITED NATIONS GLOBAL COMPACT" REPORT



In June 2015, the Global Compact of the United Nations published the **IMPACT Report: Transforming Business, Changing the World - The United Nations Global Compact**. The document was launched during the 15th anniversary celebrations of the UN Global Compact ("**Global Compact +15. Business as force for good**"), held in New York from 23rd to 25th June. The report focuses primarily on the role played by the UN in the history of the modern movement on *corporate sustainability* and in leading change. The Report also offers **new strategies** which are aimed at companies and indicates **16 goals** with respect to **three specific areas**: 1. *corporate practices*; 2. *business environment*; and 3. *dominant worldviews*. The last part of the document is devoted to the **Global Compact's future scenarios**, starting from a reflection on the adoption of recommendations for a more effective coordination of the various actors towards the common goals and measures to extend the scale of the initiative's impact.

Link to download the Report:

[https://www.unglobalcompact.org/docs/publications/
ImpactUNGlobalCompact2015.pdf](https://www.unglobalcompact.org/docs/publications/ImpactUNGlobalCompact2015.pdf)

September
2015UN PRIVATE SECTOR FORUM 2015 AND THE LAUNCH OF THE
“SDG COMPASS”

The *United Nations Private Sector Forum 2015* was held on **26th September** in **New York** and focused on the implementation of *Sustainable Development Goals (SDGs)* of the United Nations for 2030 by the private sector. After initially studying the new *global goals*, the firms and stakeholder organizations present had the opportunity to share aims and strategies, and partnerships that they wish to implement for sustainable development.

As part of the *Forum*, a new *tool* was also presented designed to help companies develop a strategic approach to the *SDGs* and contribute to sustainable development through *core business* activities. The *SDG Compass* was jointly developed by the **Global Reporting Initiative - GRI**, the **United Nations Global Compact** and the **World Business Council for Sustainable Development** to support businesses of any size in the alignment of their strategies to the relevant *SDGs* depending on the sector and the type of activity also by measuring the impact of its production processes. The *SDG Compass* has also been prepared to monitor the *trend* of sustainable development through the incorporation of feedback that will come from firms, government agencies, academic institutions and civil society organizations, located all around the world.

Link for the *SDG Compass* download: <https://www.unglobalcompact.org/library/3101>

October
2015

ANNUAL FORUM OF THE GLOBAL COMPACT'S EUROPEAN NETWORKS

On **15th and 16th October** 2015, more than 20 Local Networks of the United Nations Global Compact met for the ***European Networks Annual Forum*** in **Berlin**. The meeting was an important opportunity to exchange information about current initiatives and plans for the future and about the resources available to the Local Networks for the implementation of projects and activities. Shared considerations also touched upon the following two points: - the implementation of initiatives specifically designed to extend and strengthen the participation of small and medium-sized enterprises (SMEs) in the UNGC; - and the adoption of new ways of working to ensure greater collaboration between the Local Networks and the Global Compact LEAD. The Global Compact Network Italy Foundation participated in the event with a delegation of representatives and, for the first of the two days, co-organized a workshop on "Boards & Sustainability" together with the Global Compact LEAD.

The Forum was also characterized by a fruitful working session aimed at identifying common regional challenges and defining mutually beneficial solutions in which, as well as representatives of the Local Networks, also members of the **Local Networks Advisory Group** and the **UN Global Compact Local Networks Team** took part.

Finally, the meeting participants shared data on sustainability trends and best practices recorded at national level and extensively discussed the role of Local Networks as key facilitators in the commitment of the private sector to achieving *Sustainable Development Goals - SDGs* effectively exploiting *SDG Compass* (see page 18) and other related resources made available for this purpose by the UN Global Compact.

December
2015THE UNITED NATIONS GENERAL ASSEMBLY RENEWS UN GLOBAL
COMPACT MANDATE

On **10th December 2015**, the *Economic and Financial Committee (EFC)* of the United Nations General Assembly adopted a resolution on future developments regarding the strategic commitment of the United Nations within the framework of multilateral partnerships (also including the private sector) with which the mandate to the UN Global Compact for “*advancing the values of the United Nations and responsible business practices within the United Nations system and among the business community to global level*” was renewed.

By means of the aforementioned resolution, UN Member States recognized “*the important role that the Office of the United Nations Global Compact plays with regard to strengthening the United Nations ability to work strategically with the private sector*” and expressed their full support of the work done by the Global Compact in order to persuade firms to adopt business principles and responsible investment and to be aware of the social and environmental consequences of their business activities.

Finally, in the same resolution, the **Global Compact Local Networks** were invited to play a strong role with regard to the implementation of the *Sustainable Development Goals* of the United Nations 2030 Agenda, acting in two ways: - as facilitators of multi-stakeholder partnerships on a wider scale; - and as promoters of sustainable development and the eradication of poverty at a local/regional level.

A stylized world map in shades of blue and white, overlaid with a network of white dots and lines. A red dot is placed on the Italian peninsula. The text 'GLOBAL COMPACT NETWORK ITALY FOUNDATION' is centered in a white horizontal band.

GLOBAL COMPACT NETWORK ITALY FOUNDATION

WHO WE ARE

THE PATH

The Global Compact Network Italy was created thanks to the coordination of **Cittadinanzattiva** and the support of the Global Compact Office, the International Labour Organization (ILO), the United Nations Development Programme (UNDP) and several institutions, businesses and Italian universities.

2002



The Global Compact Network Italy was managed by the **ILO – International Labour Organization** in relation to the broad project: “Sustainable Development through the Global Compact”, financed by the Italian Ministry of Foreign Affairs - Italian Development Cooperation. This project was established to promote corporate citizenship as a means for developing cooperation in countries in the Mediterranean area. The project was developed not only to promote the Global Compact in Italy, but also to spread it as a vehicle of corporate citizenship together with other international instruments: the OCSE Guidelines and the Tripartite ILO Declaration.

2003



The Italian Global Compact Network Steering Committee nominated Marco Frey of the Sant’Anna School of Advanced Studies as its President and sanctioned the passage of its technical secretariat to **FONDACA – Active Citizenship Foundation**, in order to allow the Network to play a central role in terms of promotion and dissemination of the United Nations Global Compact at a national level. The new organization has worked towards the following main goals: to consolidate the Network as an entity of propulsion for the United Nations Global Compact in Italy; involving more and more Italian firms and organizations in the UN initiative; bestowing a greater gravity and continuity to their commitment to the Ten Principles of the Global Compact and, more generally, to the theme of sustainability.

2006



2010

The Italian Global Compact Network Assembly unanimously approved a **new governance model for the Network**, thus marking an important step along the path towards the consolidation and development of the initiative. The new governance model is characterized by the voluntary participation of the Italian organizations subscribing to the United Nations Global Compact; by the leadership role of a Steering Committee made up of representatives of the organizations participating in the Network and supported by a Technical Secretariat entrusted to FONDACA – active citizenship foundation; and by the organizations participating in the Network covering its running costs, its coordination and some of its activities.

2013

On June 10th 2013, the Global Compact Network Italy (GCNI), active since 2002, became legally established as the **Global Compact Network Italy Foundation**. Eighteen organizations took part in the Foundation's establishment, private enterprises (from different productive sectors and of different sizes), universities and research centres, non-profit foundations and civil society organizations. More specifically, the **"Promoting Founders"** of the Global Compact Network Italy Foundation are:

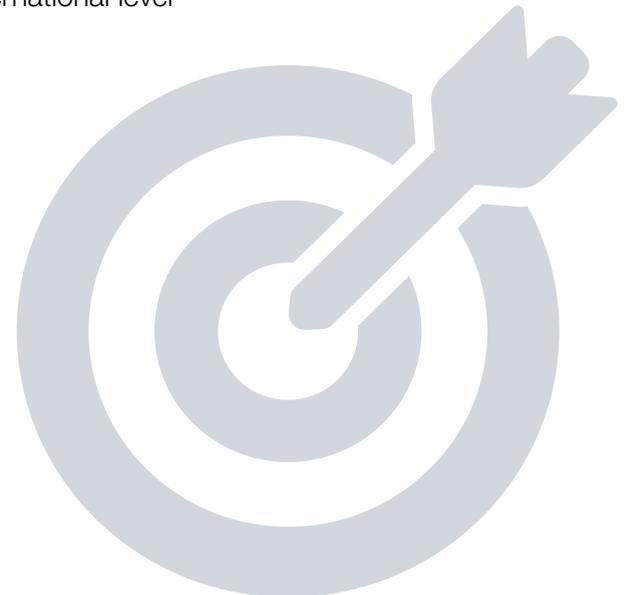
1. **Acea**
2. **Ansaldo STS**
3. **Edison**
4. **Enel**
5. **Eni**
6. **ERGO**
7. **Fondazione Eni Enrico Mattei**
8. **Fondazione per lo Sviluppo Sostenibile**
9. **Gruppo Generali**
10. **Italcementi**
11. **LATI Industria Termoplastici**
12. **Pentapolis**
13. **Snam**
14. **Sodalitas**
15. **Sofidel**
16. **TELECOM Italia**
17. **Terna**
18. **Università Ca' Foscari Venezia**

MISSION AND OBJECTIVES

The Global Compact Network Italy Foundation was established with the primary purpose of contributing to the development of the UN Global Compact (UNGC) in Italy.

The **mission** of the Foundation is structured in **7 points**. In accordance with the *Ten Principles of the UNGC*, the Foundation aims to:

1. be recognized as an institutional spokesperson that allows companies engaged in sustainability in a multi-stakeholder perspective to be heard
2. raise awareness and the level of national involvement
3. help make sustainability the main lever of change in pursuit of a future that is more efficient, more equitable and safer in the management of resources
4. be characterized as a subject oriented towards the development of operational solutions and the creation of shared economic, social and environmental values
5. encourage partnerships, collective actions and dialogue among all actors in the promotion of sustainability
6. promote accountability, fairness and transparency in communication and corporate reporting
7. endorse the contribution of Italian companies and synergies at international level



GOVERNANCE

The Global Compact Network Italy Foundation Roles are:

- the **Board of Directors**, vested with all the powers to identify the actions to be taken and the criteria for the achievement and implementation of the objectives of the Foundation and its ordinary and extraordinary management.
- the **President** (and **two Vice-Presidents**), is the legal representative of the Foundation before third parties, and acts and stands before any administrative or judicial authorities. In relations with the Board of Directors, the President has the power of impulse and initiative over the administration and management of the Foundation. In addition, the President embodies the institutional representation of the Foundation.
- the **General Secretary**, is first and foremost the point of contact between the Foundation and the Global Compact Office in New York. The Secretary carries out the organizational and administrative management of the Foundation, as well as the organization and promotion of individual initiatives, providing resources and tools needed for their practical implementation; acting as coordinator between the various organizations of the Foundation and the United Nations Global Compact and looking after and promoting the external relations of the Foundation.
- the **Auditor**, verifies the correct accounting of the Foundation and its legal books and provides advice to the Board and to the founders of the regularity of financial statements and compliance with tax and social contributions, drawing up a written report on the balance sheet.



Composition of the Global Compact Network Italy Foundation Roles¹

Board of Directors	<p>Marco Frey, Director of the Institute of Management of the Sant'Anna School of Advanced Studies and Founder of Ergo, offshoot of the School (<i>President</i>)</p> <p>Sabina Ratti, Executive Director, FEEM – Fondazione Eni Enrico Mattei (<i>Vice-President</i>)</p> <p>Luigi Lazzareschi, CEO, Sofidel Group (<i>Vice-President</i>)</p> <p>Alessandro Beda, Steering Counselor, Sodalitas Foundation (<i>Counselor</i>)</p> <p>Marina Donati, Head of Corporate Social Responsibility Generali Group Head Office, Assicurazioni Generali S.p.A. (<i>Counselor</i>)</p> <p>Stefano Gardi, Sustainable Development Director, Italcementi Group (<i>Counselor</i>)</p> <p>Francesca Magliulo, Corporate Responsibility Manager, Edison S.p.A. (<i>Counselor</i>)</p> <p>Chiara Mio, Professor at the Department of Management and Delegate of the Rector to environmental sustainability and social responsibility of the University, Ca' Foscari University of Venice (<i>Counselor</i>)</p> <p>Fulvio Rossi, CSR Manager, Terna S.p.A. (<i>Counselor</i>)</p>
General Secretary	Alessia Sabbatino
Auditor	Domenico Antonelli

1. As required by the organizational statute, the Board of Directors shall be renewed on expiry of the three-year term (June 2013 - June 2016) through election by the Assembly of the Founding Members of the Global Compact Network Italy Foundation.

STAFF AND EXTERNAL COLLABORATORS

Margherita Macellari	Program Manager & Analyst
Laura Lamberti	Communications and Organization
Giacomo D'Orazio	Webmaster
Alessandro Casanova	Graphic designer
Monica Datta	Translation and correction of texts in English



FOUNDERS AND PARTICIPANTS 2015

PROMOTING FOUNDERS



FOUNDERS



PARTICIPANTS



HOW TO PARTICIPATE

MEMBERS

Membership is open to:

- Italian businesses and organizations participating in the UNGC;
- subsidiaries of multinational companies participating in the UNGC which operate in Italy;
- businesses, not operated on an individual basis and with less than ten employees (micro-enterprises), which are located in Italy.

Foundation members are divided into:

- **Promoting Founders:** these are the companies and organizations who have endorsed and promoted the path that led to the creation of the Foundation by participating in its deployment phase right from the start.
- **Founders:** these are the companies and organizations that have become part of the Foundation undertaking to contribute to the achievement of the purposes of the same, not only supporting the organization financially, but also participating actively in its institutional life and the implementation of planned initiatives.

PARTICIPANTS

Companies and/or organizations may qualify as Participants which, sharing the aims of the Foundation and being interested in participating in initiatives and activities which it organizes throughout the country, decide to support the Foundation through annual monetary contributions in an amount not less than that established by the Board of Directors for the Participants. The Participant status, unless otherwise approved by the Board of Directors, may be kept for up to one year, after which the Participant companies and/or organizations may submit an application to the Executive Council for admission to the Founders.

5 REASONS TO JOIN

1. Maximize the effects and benefits of participation in the United Nations Global Compact
2. To act together as part of a heterogeneous network for the implementation of the United Nations 2030 Agenda
3. Strengthen relations with institutions, firms and organizational stakeholders committed to sustainability at national level
4. Improve sustainability strategies and policies through dialogue and the comparison with Italian best practices
5. To join multi-stakeholder partnership or collective actions which are characterized by an innovative approach to corporate ethics and by the objective of experimenting with new operational solutions in the fields of sustainability

WHAT WE DO

2015 THEMES.....> MAIN RESULTS/OUTPUTS



INSTITUTIONAL ACTIVITIES

EXTERNAL COMMUNICATIONS

The Global Compact Network Italy Foundation communicates externally using three channels, as follows:

- **Website** - The Global Compact Network Italy Foundation's website is the organization's main channel of communication externally to itself. The portal (also available in English) allows the user to discover more about the United Nations Global Compact and the history of the Italian Network of the Global Compact, from its establishment until today. The Foundation is presented through a description of its mission, its goals, the organizations participating as "Founders" or "Participants", and its activity program. With the "News" section on the homepage, the Foundation updates users on an ongoing basis on the UNGC's policies and initiatives, on its institutional life, on new members, and on its activities and publications. Using the buttons on the homepage, you can access the in-depth pages dedicated to the five *Working Groups* active within the Foundation and the *TenP Platform*. In 2015, the Foundation finished re-designing its website, in order to improve usability and to renew the look of the portal, rendering it fresher, more engaging and dynamic. The new version of the Foundation's website is available at: www.globalcompactnetwork.org
- **Newsletter Service** – A Newsletter service was created in order to: inform users about the Foundation's institutional life, the projects and the initiatives it has implemented or planned; communicate all updates on the UNGC's policies and the main news from the policy-community which is active at a national and international level on sustainability issues; give visibility to projects and activities carried out by the Foundation's "Founders" and "Participants", as well as to their social reporting documents and publications with relevant content. The Newsletter is produced in Italian and English and is available every two months. Six were sent out in 2015. All of them are available on the "Newsletter Archive" page on the Foundation website.
- **Social Networks** - The Global Compact Network Italy Foundation has an account as an organization with Twitter. In the daily management of its profile, the Foundation interacts with organizations and individuals interested in it and in the United Nations Global Compact (*follower*), as well as getting the most important updates from the national and international community engaged in sustainability issues

and corporate responsibility (*following*). More specifically, through its Twitter profile, the Foundation aims to:

- give information about its activities (programs, initiatives and events, publications, media presence, broadcasts, etc.)
- present the companies and organizations that are Founding Members and Participants of the Foundation
- give information about new Foundation members
- promote the *Ten Principles of the United Nations Global Compact*
- give information about news and initiatives regarding the United Nations Global Compact
- disseminate sustainability best practices and CSR implemented by Foundation member companies
- give information about initiatives on sustainability issues (programs, initiatives and events, publications, etc.) promoted by firms and organizations that support the Foundation

The Foundation manages these channels of web communication attempting to activate synergistic interactions and promote an abundant circulation of information on issues of common interest to its users.

SERVICE HIGHLIGHTING INITIATIVES AND OPPORTUNITIES

A service was created, available to all Global Compact Network Italy Foundation “Founders” and “Participants”, which is aimed at highlighting initiatives and opportunities which address sustainability and corporate responsibility issues (by means of conferences, workshops, seminars, awards, publications, etc.) It may be promoted by the members themselves or by organizations external to the Foundation. In 2015, the Foundation sent an average of four reports a month using a specific e-mail format (*“Newsletter - Highlighting initiatives”*).

PROMOTION OF THE UN GLOBAL COMPACT AND THE GLOBAL COMPACT NETWORK ITALY FOUNDATION

UN Global Compact Welcome Meeting

A “UN Global Compact Welcome Meeting” was held on 16th February 2015 from 10.00 a.m. to 12.00 p.m. It is an annual event open to all the Italian companies and organizations that have joined the United Nations Global Compact (UNGC) in the last twelve months. The meeting was held via internet and offered the opportunity to study and compare the following points: the United Nations **Global Compact goals**, the **commitments and opportunities for UNGC members**; the **operational aspects of participation** in the Global Compact (e.g. production of the *Communication on Progress/on Engagement* - COP/COE, use of the Global Compact logos, etc.); the **UNGC activities program** at a global level. The Foundation will hold this event again in February 2016.

Participation in external initiatives

In the course of 2015, with the aim of promoting the Global Compact and the Italian Network on a national scale, the President, the Secretary General and members of the Board of the Foundation Global Compact Network Italy, took part in the organization’s representation at the following events:

Event	Date	Where	Promoting Organization
3° Salone Mediterraneo della Responsabilità Sociale Condivisa	10/04	Naples	Associazione di promozione sociale "Spazio alla Responsabilità"
Meeting di Primavera 2015	13/04	Rome	Fondazione per lo Sviluppo Sostenibile
Children are everyone's business – UNICEF Business Lab Event	09/06	Milan	UNICEF
“Il Global Shift nel Retail”	18-19/06	Milan	Planet Life Economy Foundation, NDB – Il Marketing consapevole
Seminario di formazione//Executive Development Programme	17/09	Baveno (Milan)	Fondazione ISTUD
CompraVerde-BuyGreen, Forum Internazionale degli Acquisti Verdi	01/10	Rome	Fondazione Ecosistemi
Salone della CSR e dell’Innovazione Sociale (Meeting “Cambiamenti climatici: il ruolo delle imprese e delle istituzioni”)	06/10	Milan	Università Bocconi, CSR Manager Network, Unioncamere, Alleanza delle cooperative italiane, Fondazione Sodalitas, Koinetica
“The Automotive Ecosystem on the Global Road to Sustainability. The Asian Perspective”	15-16/10	San Servolo (Venice)	Venice International University – VIU, Alcantara
Workshop sulla Matrice di Materialità	22/10	Milan	CSR Manager Network
Stati Generali della Green Economy 2015	03-04/11	Rimini	Consiglio Nazionale della Green Economy, Ministero dell’Ambiente, Ministero dello Sviluppo Economico
“Engagement su temi di sostenibilità. Le società quotate e il dialogo con gli investitori”	12/11	Milan	Forum per la Finanza Sostenibile, CSR Manager Network
CSR Forum	01/12	Rome	ABI – Associazione Bancaria Italiana

Implementation of the Protocol of Intent between the GCNI Foundation and the Antitrust Authority

On 8th May 2014 a Protocol of Intent was signed in Rome between the Global Compact Network Italy Foundation (GCNI Foundation) and the Italian Antitrust Authority. This agreement sanctions the commitment between the two organizations to collaborate in the dissemination of the Legality Rating among Italian companies.

In the light of and in line with the agreement signed, the GCNI Foundation renewed its commitment during 2015 to: promote the use of “Rating”, among member companies, as a tool in the context of the autonomous activities of pre-qualification and/or ethical qualification of business partners (e.g. suppliers and customers); encourage member companies to submit applications to the Antitrust Authority to obtain the “Rating”; promote joint activities concerning firms with the Antitrust Authority (and potentially also between them and their own business partners) to facilitate a broader knowledge of “Rating” and “Regulations”, explain the basic requirements for access and its benefits, provide useful clarifications to facilitate and encourage the submission of the application for obtaining the “Rating”; conduct surveys to gather comments and/or suitable suggestions to improve the effectiveness of the Legality Rating Regulations, or rather aim to highlight possible areas for improvement, if required and in as much as might be of interest to the Antitrust Authority. In particular, on **9th April**, at the **Federutility** headquarters in **Rome**, the GCNI Foundation organized a time for discussion and dialogue between the companies participating in its “Anti-corruption” Working Group and the Antitrust Authority. The meeting resulted in an important session of informal study to better understand the contents of the “Rating”, before any amendments that might be made as a result of the public consultation in October 2014 in which the Foundation participated, and the enforcement mechanisms of the Regulation. During the meeting, company representatives came up with several observations and reflections honing in on aspects aimed at increasing the incentive and interest of companies, especially big firms, in requesting the “Rating”. In the months following the meeting, the Foundation collected and formalized the needs expressed by the members of the Working Group, by sending them to the Antitrust Authority.

PARTNERSHIP INITIATIVES

🗣️ International conference “The European Directive on Non-Financial Information”

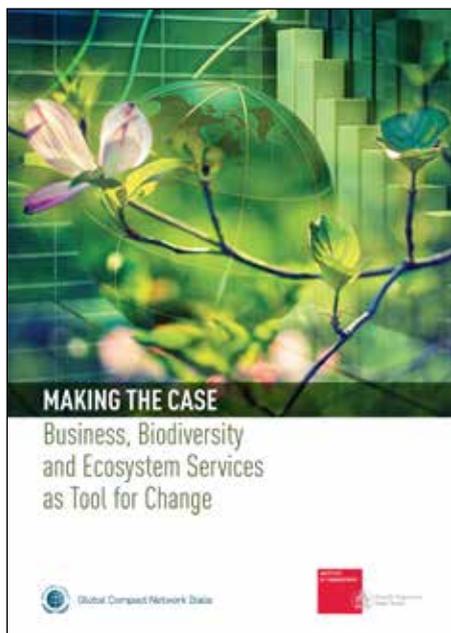
On 15th April 2014, the European Parliament adopted in plenary the proposed **Directive on the transparency of company information about CSR and sustainability**. The document, which provides integration with the provisions on the reporting of the balance sheet in the *Directive 2013/34*, was approved by the EU Council in September. In order to inform *professionals* and *practitioners* about non-financial reporting on the developments mentioned above and to promote an analysis of the topic, **Enel SpA**, **Global Compact Network Italy Foundation** and **IBRN - Italian Business Reporting Network (NIBR – Network Italiano Business Reporting)** promoted a conference to present the *European Directive on 23rd January 2015* at the *Enel Auditorium* in **Rome**. The meeting was organized in collaboration with IAIA - Italian Association of Internal Auditors, Altis - Postgraduate School of Business and Society, “Anima” for corporate social values, Angelicum - Pontifical University “St. Thomas D’Aquino”, Assirevi, CSR Manager Network, Study Group for the Social Report, Impronta Etica, Sodalitas, Sant’Anna School of Advanced Studies in Pisa, Ca’ Foscari University of Venice, University of Ferrara, and WICI Europe.

The event provided the opportunity for an analytical discussion of the central aspects related to the introduction and implementation of the *European Directive*, those aspects being; the context and prospects, the internal processes, skills and opportunities.

In particular, many highlighted how the European Union’s decision to assume a position of leadership with regard to the *disclosure* policies of extra-financial information undoubtedly represents an opportunity for all of the 6,000 European companies that will be “impacted” by the legislation. The implementation of the Directive will provide the opportunity for a cultural change that focuses on the accountability of top management and will increase transparency towards the public by facilitating the consolidation of the bond of trust between business, society and institutions.

The Directive can also be seen as a tool able to better help the CFO world (*chief financial officer*) communicate with the world of sustainability and in this way to speed firms up on their path towards *integrated thinking*. On the other hand, there are many challenges that must be addressed, *above all* those related to the transposition of the legislation. The manner in which each country will take on board the provisions of European legislation will have a very strong impact on how comparable the information will be.

📖 **Report “MAKING THE CASE. Business, biodiversity and ecosystem services as tool for change”**



On **3rd November 2015**, during the **IV edition of the States General of the Green Economy** (*Ecomondo*, Rimini Fiera), the **Report “MAKING THE CASE. Business, biodiversity and ecosystem services as tool for change”**, was presented. This document was produced by the **Global Compact Network Italy Foundation** in collaboration with the **Institute of Management at the Sant’Anna School of Advanced Studies in Pisa** and with the support of **Terna SpA**. Previously, the publication had been launched at an international level at the *II EU B@B Platform Annual Conference* held in Brussels, on 27th October.

The **ecosystem services** (e.g. food, water, fuel, air purification, natural recycling of waste, pollination, etc.) play a vital role in society. The **Millennium Ecosystem Assessment** estimates that the loss of ecosystem services contributes to food and energy insecurity,

increases vulnerability to natural disasters, such as floods or tropical storms, decreases the level of health, reduces the availability and quality of water resources and undermines cultural heritage. Ecosystem services also represent a significant portion of the total economic value of the planet.

The report “MAKING THE CASE” intends, first of all, to present the **significant experiences of the management of biodiversity and ecosystem services (BES)** recorded by major Italian organizations, placing them in a framework of further analysis of the international/European and national regulation on the subject and the main *trends* in the field. More specifically, the document describes the results of the survey conducted on the following *economic actors* engaged in the daily challenge towards having a *green economy*: **Acea SpA, Barilla Group F. & G. Fratelli, Enel SpA, Expo2015 SpA, Cariplo Foundation, Italcementi SpA, Snam SpA, Sofidel SpA, Terna SpA, UniCredit SpA**. The testimonies on the subject offered by these 10 large organizations have allowed the identification of the current priority areas with specific reference to biodiversity and ecosystem services and to create tracks of shared development which will be effective for the future.

The second main aim of the Report is to contribute to **an increase in awareness on the topic regarding all the interested parties**, favouring the resulting debate.

Among the main outcomes of this publication, it can be noted how: • the field study has uncovered a widespread perception of how “sustainable development” is not yet an operational reality; • from the involvement of the actors committed to the green economy the need for new rules and new tools on biodiversity and ecosystem services by policy makers has emerged; • the way forward seems to be that of a “multi-level governance” that recognizes the centrality of common action and of public-private partnerships.

You can **download the document** (EN) here:

<http://www.globalcompactnetwork.org/it/form/report-business-bes.html>

“COP21: And Then What?” Conference

Following the **XXI Conference of the Parties (COP21)**, held in Paris from 30th November to 11th December 2015 and which concluded with the approval of 196 States (195 States + the European Union) for a new universal and binding agreement on climate to limit global warming to below 2 degrees Celsius, the Global Compact Network Italy Foundation organized the **Meeting “COP21: And Then What?”** for the benefit of both its members and non-members. This meeting was held on **17th December** at the **headquarters of Atlantia SpA in Rome**. The event was an important opportunity to study the outcomes of the Climate Summit in Paris and to discuss future scenarios.

After the welcome speech by Simonetta Giordani, *Sustainability and Institutional Relations Manager* – Atlantia SpA, the following **experts on the topics** spoke: Marco Frey, *President* - Global Compact Network Italy Foundation; Andrea Barbabella, *Head of Energy, Strategy and Reporting* - Foundation for Sustainable Development; Andrea Valcalda, *Head of Sustainability* - Enel SpA; and Pierre Monnier, *Climate Project Manager* - Global Compact Network France.

The content of the meeting was further enriched by Francesco La Camera, *Director-General for Sustainable Development and Relations with the EU and the IGO and Chief Negotiator for Italy in Paris* - Ministry for the Environment, and Protection of Land and Sea, who shared the most significant passages of the negotiation phase that characterized the COP21 and reaffirmed the importance of the agreement signed in Paris while underlining the importance of the challenges that arise from it.

More generally, the debate that characterized the initiative was structured following the *keypoints* of the Paris agreement:

TARGET: the long-term goal is to stay “well below 2°C”, putting in every effort to meet the much more ambitious limit of 1.5°C; the peak in emissions should be achieved as soon as possible, while allowing developing countries the opportunity to achieve it in the longer term.

FINANCE: developed countries will provide financial resources to support mitigation and adaptation in developed countries, and will communicate qualitative and quantitative information about this every two years; the declaration recognizes the importance of economic instruments for reducing emissions, including *carbon pricing*.

ASSESSMENT: all countries will regularly report back through a national inventory of emissions and removals of greenhouse gases; starting from 2023 countries will evaluate their progress towards the long term objectives of the agreement every five years and, if necessary, will review their commitments; in 2018 there will be an initial “informal” check and in 2020 all countries will have to submit a national strategy to achieve the targets they have voluntarily communicated.

TIMELINE: The agreement will enter into force when at least 55 countries who are collectively responsible for at least 55% of global emissions of greenhouse gases will have ratified that commencing April 2016.

During the meeting, it was established that the **Global Compact Local Networks** should play an important role in support of the goals set at the COP21. The Local Networks will be able to help achieve the ambitious objectives by promoting new commitment initiatives at a local level both individually and collectively, and by becoming agents to spread information and awareness on the issues within their spheres of influence.

Working Group “Engagement for businesses. How to approach the dialogue with investors on aspects of sustainability”

Engagement is one of the most advanced sustainable and responsible investment practices. In April 2015 the **Forum for Sustainable Finance**, in partnership with the **CSR Manager Network**, launched

a project dedicated to analysing the exercise of such practices from a corporate point of view, solicited by investors on sustainability issues. The project witnessed the implementation of a multi-stakeholder group composed of representatives of the business world (in particular, CSR managers and Investor Relations Officers), investors, operators, service providers, ESG advisers, academics and members of international organizations and NGOs. The Global Compact Network Italy Foundation took part in the proceedings, which were substantiated in four Working Group meetings plus the review phase, aimed at the publication of the Guide *“Engagement on sustainability issues. Listed firms and the dialogue with investors.”* An effective engagement process can allow companies to align the various corporate functions; to improve understanding of ESG issues; to position themselves taking aspects of sustainability into consideration; to effectively manage risk from a long term perspective; to establish profitable relationships with investors and to identify innovative solutions to emerging problems.

The manual was presented at an event held at the Italian Stock Exchange during the Sustainable and Responsible Investment Week (SRI) 2015 organized by the Forum for Sustainable Finance and the CSR Manager Network - with support from Candriam, Etica SGR, Terna and the Unipol Group. As part of the two round tables organized at the meeting and moderated by Prof. Mario MOLTENI (CSR Manager Network) and Prof. Marco FREY (Global Compact Network Italy Foundation and San’Anna School of Advanced Studies in Pisa), Ben PEETERS, Candriam; Fulvio ROSSI, Terna SpA; Ugo BIGGERI, Etica SGR; Maurizio AGAZZI, Fondo Cometa; Raj THAMOTHERAM, Preventable Surprises; and Gianluca BANFI, UNIPOL GROUP commented on the publication.

Download *“Engagement on sustainability issues. Listed firms and the dialogue with investors”*:

http://www.finanzasostenibile.it/images/stories/docs/Manuale_Engagement_su_temi_di_sostenibilita_sito_web.pdf

TenP – Sustainable Supply Chain Self-Assessment Platform



a Global Compact Network Italy Foundation Project

The *TenP* Platform - *Sustainable Supply Chain Self-Assessment*, which was officially presented at the end of 2014 by the Global Compact Network Italy Foundation (GCNI Foundation) along with some of the companies that participated in the project as *TenP* Partners, completed its first year. The *TenP* is a tool that was created and is managed by the GCNI Foundation to support enterprises participating in information collection on the sustainability *performance* of their suppliers, with the aim of using them to identify common challenges and solutions to improve sustainability within their supply chain. The platform and the self-assessment questionnaire, its crux, were created with reference to the United Nations Global Compact's *Ten Principles*, taking into account the standards and relevant international conventions in the field of corporate sustainability.

During its first year the *TenP* Platform witnessed the inscription, made voluntarily or by invitation, of **one thousand suppliers**, with continued and significant growth in early 2016. Further updates of the instrument are ongoing which, thanks to contribution of the **TenP Partners**, is constantly evolving, ever more able to respond to the concrete needs of assessment and corporate reporting. The road to improvement is also taken in terms of support to suppliers, with the development of initiatives and training programs and information that, organized in collaboration among the partner firms with the Foundation's support, allow them to substantially improve their sustainability performance as an integral part of each individual company's *performance*.

The *TenP* Platform project has been boosted in the second edition of **"Supply Chain Sustainability: A Practical Guide to Continuous Improvement"**, a document published in 2015 by the UN Global Compact and revised by the GCNI Foundation among others. This *Guide* cites the *TenP* as one of the main projects implemented at the local network level in the international context.

TenP PARTNERS



📌 Training package on “Business and Human Rights”

With the aim to support their members in spreading the culture of respect and the promotion of human rights within their own firms, the Global Compact Network Italy Foundation, together with the **Institute of Management at the Sant’Anna School of Advanced Studies in Pisa**, developed and presented the training package on “*Business and Human Rights*” in the second half of 2015. The training toolkit was developed in response to the need expressed by member firms of the Foundation to sensitize those who have direct responsibility in their firm for the management of human resources (team leaders, managers, etc.) about the subject, and to provide basic information and interpretations to be used in everyday professional life. In particular, the course, which has the “*Principles of the United Nations Guide for business and human rights*” as its reference framework, has a **modular structure** based on three main themes: 1) **Human Rights: key concepts**; 2) **Business and Human Rights**; 3) **Human Rights in managerial practices**. The modular structure is designed to ensure maximum flexibility and adaptability to different operational realities and to the participants’ characteristics. The expected minimum duration is 4 hours, with the possibility of providing more concentrated and focused sessions, as well as longer sessions with detailed thematic and sectoral studies. The course aims to broaden the discussion of the issue in terms of **promoting human rights in the business context** rather than only in terms of the violation of human rights and favours an experiential teaching method. In November 2015, the first pilot project of the training package was held with the training representatives of the companies participating in the Foundation’s “Business & Human Rights” Working Group. A pilot project is scheduled for 2016 in firms, after which the materials will be finalized and shared among the Foundation members. In addition to the independent use of materials, the Foundation will be available to create *tailor made* training courses.



Reporting processes on sustainability support

Among the commitments arising from the United Nations Global Compact membership (UNGC), is that of producing periodic reporting documents about the implementation and promotion of the *Ten Principles of the Global Compact* by organizations participating in it. More specifically, by joining the *business-participants* (SMEs and large companies) they are committed to producing and transmitting a **Communication on Progress - COP** to the Global Compact annually, while *non-business participants* (non-profit organizations and civil society, professional associations, universities and research bodies, public agencies, etc.) are required to produce and send a document called **Communication on Engagement - COE** to the Global Compact every two years. *Business and non-business participants* are also invited by the Global Compact to share these reporting documents with their own stakeholders.

In order to support Italian firms and organizations who are members of the UNGC in their reporting obligations arising from their participation, throughout 2015 the Global Compact Network Italy Foundation provided **one-to-one assistance** to anyone who requested it. In particular, the Foundation supported more than ten companies, who are GCNI Foundation members, in filling in the *self-assessment* form to attain the *Communication on Progress* “Advanced” qualification (“Program Differentiation of *Communication on Progress*” UN Global Compact).



WORKING GROUPS

INTRODUCTION

The **topic based Working Groups** active within the Global Compact Network Italy Foundation have the goal, not only of sharing and enhancing the experiences of the participating firms and organisations, but also and above all to identify practical and innovative solutions for the implementation, at local level, of the principles and mechanisms identified by the UN Global Compact at global level.

The Working Groups are characterized by:

- ✎ A full involvement of the participating companies and organizations each time to select both the thematic focus to work on and the way to work on it;
- ✎ The participation of those within firms and organizations who oversee the issues on which the groups are focused;
- ✎ The alternating of periods of analysis (organized with the support of external experts), of experience sharing and of collaboration aimed at developing tools that can be used to support the operational management of the issues within their own companies and organizations;
- ✎ An informal approach which allows the creation of a climate of constructive cooperation among the participants.

In 2015, four Working Groups were active within the Foundation:

- The **“BUSINESS AND HUMAN RIGHTS” Working Group**
- The **“ENVIRONMENT” Working Group**
- The **“REPORTING” Working Group**
- The **“ANTI-CORRUPTION” Working Group**

► “BUSINESS AND HUMAN RIGHTS” WORKING GROUP

People with roles in sustainability and human resources of the firms and stakeholder organizations who are members of the Foundation, participate in the Global Compact Network Italy Foundation’s (GCNI Foundation) “Business and Human Rights” Working Group’s activities.

The Working Group’s path took its direction in May with the sending out of the **questionnaire “Human Rights and Labour Rights: material issues for business”** to all the Global Compact Network Italy Foundation member firms. The **Survey** was conducted among **more than 30 companies** with the aim of identifying the materiality of rights universally recognized for complying companies. The results were shared at the first Working Group meeting held in September and what specifically emerged was that:

- 👉 *There are no human rights that are perceived to be of no relevance to firms;*
- 👉 *Most rights are perceived to be relevant;*
- 👉 *The human rights which are perceived to be of the highest relevance are: The right to non-discrimination and protection of equal opportunities; The right to healthy working conditions, safe and favourable; The right to privacy; The right of opinion, freedom of information and expression.*

A structured participatory planning was undertaken during the same meeting, with the aim of defining together the next steps of the Working Group: the three working sub-groups identified developed three parallel projects that, at the end of the working period, were presented in plenary and voted on. In this way the Working Group decided to undertake a journey of three stages of study, training and exchange of experiences on the subject of diversity within firms, called **“Human Rights Talks” (HRT)**. These HRT will be held during 2016 and will focus on: i) What is diversity? In-depth study and analysis of the concept, ii) Management Systems & Diversity - comparison of corporate experiences; iii) Impacts & Diversity- mapping of corporate impacts.

In parallel to the activities described above and in line with them, during 2015 the GCNI Foundation completed:

- processing and presentation of the **Business & Human Rights training package** (see page 42).
- the organization of the **European Peer Learning Group exchange** with a focus on: *“Human rights due diligence in the supply chain and other business relationships”*. The meeting, held in Milan in November, took on the characteristics of the *European Peer Learning Group* thanks to the active participation of German and Spanish Global Compact Network member firms who are committed to the same theme. The meeting opened with a speech by Laura Iucci - UNHCR, United Nations High Commissioner for

Refugees in Italy – who spoke about the *Commitment to Act* launched by the UN Global Compact in partnership with UNHCR which addresses the business world. It is a call to act in time, and it is practical and supportive to the humanitarian crisis still ongoing at the time of writing this report. The session continued with the speeches of three Learning Group participants, one for each European Network involved, in the experience sharing mode, with reference to what is implemented on the theme “*Human rights due diligence in the supply chain and other business relationships*” within their own organizations.

TURNOUT 2015



▶ “ENVIRONMENT” WORKING GROUP

The Global Compact Network Italy Foundation’s “Environment” Working Group (GCNI Foundation), has been formally active since July 2013 and is characterized by the participation, as external partners, of the Ministry of the Environment, and Protection of Land and Sea, the Emilia Romagna Region, the Sant’Anna School of Advanced Studies in Pisa, and Bocconi University. Firms and stakeholder organizations that are members of the Working Group therefore have the opportunity to interact and work together on the issues with representatives of government agencies and academic institutions.

The theme **Business, Biodiversity & Ecosystem Services** (*Business and BES*) was the focus of the “Environment” Working Group activities throughout 2015. The sharing of corporate practices, which began in 2014 and focused on policies, projects and internal initiatives in organizations in relation to biodiversity and ecosystem services, continued throughout the year with the following companies sharing experiences: Italcementi, Cariplo Foundation, and Expo SpA.

In November 2015, this course of study led to the drafting and publication of a report entitled: **“MAKING THE CASE. Business, Biodiversity and Ecosystem Services as a tool for change”**. With the assistance of this report, prepared by GCNI Foundation with the scientific support of the **Institute of Management at the Sant’Anna School of Advanced Studies in Pisa**, the Working Group set itself these three goals:

- to insert the relevant experiences into a framework of studying the international/European and national regulation and on the major *trends* in the field;
- to pool experiences implemented by medium and large organizations that are engaged on a daily basis in the challenge towards creating a green economy: Acea SpA, Barilla Group, F. & G. Fratelli, Enel SpA, Expo2015 SpA, Cariplo Foundation, Italcementi SpA, Snam SpA, Sofidel SpA, Terna SpA, UniCredit SpA;
- to help increase awareness about the topic with regard to all interested parties, favouring the subsequent debate.

On 27th October 2015, the GCNI Foundation presented the *Report “MAKING THE CASE. Business, Biodiversity and Ecosystem Services as a tool for change”* at the II EU B@B Platform Annual Conference² held in Brussels.

The publication was launched at national level on the occasion of the **IV edition of the States General of the Green Economy** (Ecomondo, Rimini Fiera) at the start of November. More specifically, the presentation took place as part of the **Workshop “Natural Capital: driver for business growth”**, an initiative co-organized by the GCNI Foundation. The meeting was moderated by Marco Frey - *President*, GCNI Foundation - and witnessed the participation of a prestigious panel of national and international speakers from the institutions (Ministry of Environment, and Protection of Land and Sea, and the European Commission) and the business world (Acea SpA, Snam SpA, Sofidel SpA, Terna SpA).

For further information about the *Report*, see page 37.

Finally, in December 2015, in parallel to the activities described above, the GCNI Foundation organized the theme-based meetings **“COP 21: And Then What?”**, an initiative promoted following the closure of the **XXI Conference of the Parties (COP21) of the United Nations Framework Convention United (UNFCCC)** on climate change, held in Paris from 30th November to 11th December 2015. Both GCNI Foundation member

2. The collaboration between the “Environment” Working Group and the EU Platform on Business and Biodiversity (B @ B Platform), in partnership with the Ministry of Environment, and Protection of Land and Sea, was launched in 2014 and aims to increase the active presence of Italian companies and organizations as part of the Platform and the visibility of good practices at national level in the European sphere.

and non-member firms and organizations who were interested in a discussion on the results of the Paris summit, and a comparison of the future scenarios with *professionals* and *practitioners* in the environmental field participated in the conference.

For further information on the results of the initiative, see page 38.

TURNOUT 2015



▶ “REPORTING” WORKING GROUP

Representatives of firms with extensive experience in the field of sustainability reporting participate in the Global Compact Network Italy Foundation (GCNI Foundation) “Reporting” Working Group as well as members of stakeholder organizations who are interested in the topic.

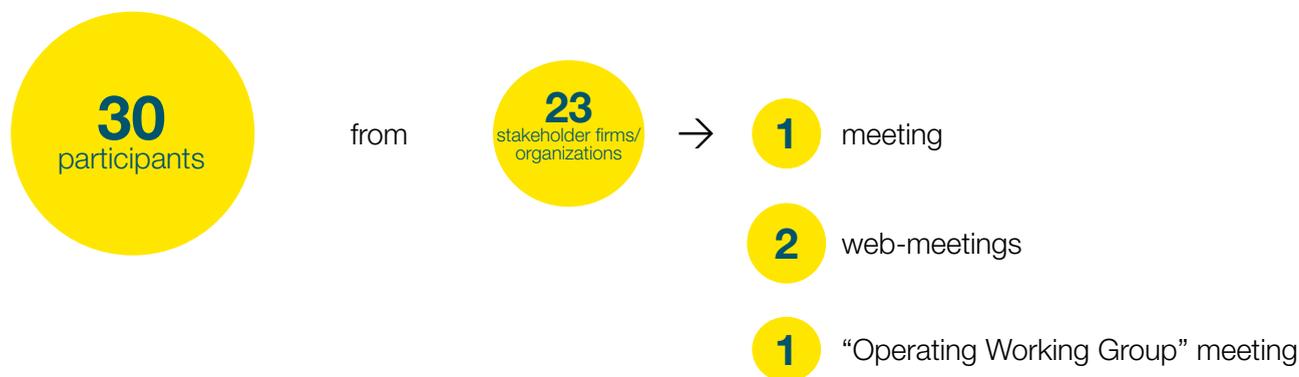
In 2015, the Working Group’s activities focused on “*materiality analysis processes within the G4 Framework of the Global Reporting Initiative - GRI*”. In the first half of the year the **path of comparison** among the participants, which started in 2014, continued **with reference to the experiences related to the implementation of the principle of materiality in reporting processes**. This course was undertaken and completed with a view to facilitating firms in the analysis and declension of the principle of materiality. Following a number of corporate testimonies, a transversal reading of shared experiences was conducted that made it possible to identify the main outstanding and most critical issues. Based on the latter, and selecting from among these issues of greatest concern to the participants, in the second half of the year the GCNI Foundation organized **three specialized seminars** on: 1) *mapping, identification and engagement tools for external stakeholders (7 July 2015)*; 2) *Identification and engagement instruments for internal stakeholders (5 October 2015)*; 3) *How to use the analysis of materiality results for strategic and operational purposes (held in January 2016)*. National and international experts participated in the meetings as speakers.

The following *speakers* spoke on 7th July and 5th October 2015:

- Giovanni Moro (*President, FONDACA – Active Citizenship Foundation*)
- Walter Sancassiani (*Founder, Focus Lab and expert in environmental, social and economic sustainability*)
- Davide Dal Maso (*Partner and consultant, Avanzi - Sostenibilità per Azioni*)
- Lorenzo Sacconi (*Director of Econometrica [Economic Ethics] and Professor of Political Economics, University of Trento*)
- Livia Piermattei (*Managing Partner, Methodos*)
- Giulia Del Cane (*Senior Auditor, Italcementi*)

The webinars were organized in such a way as to have an initial period of training and information from the experts followed by discussion and dialogue extended to all the participants. The Working Group decided to conclude the course taken in 2014 with the production of a **document that**, highlighting the experiences of GCNI Foundation member firms, **contains indications of both a methodological and operational character** on the design and implementation of the materiality analysis process and on the possible ways to use the information emerging from running it for strategic purposes. The document will be produced by a sub-group of the “Reporting” Working Group (“*Operating Working Group*”, in charge of the final summary and preparation of content) and will be publicly launched in 2016.

TURNOUT 2015



▶ “ANTI-CORRUPTION” WORKING GROUP

The Global Compact Network Italy Foundation’s “Anti-corruption” Working Group is mainly made up of *Compliance Officers*, Representatives of law offices, or anti-corruption experts from Foundation member firms. During the first part of 2015 there was a continuation of the **dialogue with the Anti-trust Authority (AGCM)**, which began in 2012, was formalized in 2014, and focuses on “**Legality Rating**” (for a more detailed account, see page 35).

The path of **sharing policies and business practices on anti-corruption** continued in the second half of the year.

This aimed to identify the criteria at the basis of regulations and/or *compliance* programs adopted by companies regarding the risk areas identified by the “**Matrix of corporate areas at risk of corruption**”³ and considered by the Working Group to be the most relevant. The study focused specifically on the theme: “*Negotiation, drafting and execution of sponsorship contracts*” and the experiences shared were those of Eni SpA and Italcementi SpA. In October, the GCNI Foundation, **together with Ernst & Young**, organized a **workshop on the risk of corruption and the actual practices and ways in which corruption may occur in firms**. In particular, the course proposed studying the essential organizational tools for implementing effective internal/corporate intelligence control systems, policies to fight corruption, as well as the investigation techniques to be used in case of the discovery of fraud.

During the final months of the year, using a simple *Survey* taken by members of the Working Group with a view to participatory planning, the issues of interest were selected that will form the thematic focus for the meetings to be held in 2016. The Group decided that it preferred traditional meetings in person and to organize the meetings in such a way so as to integrate both theoretical training and experience sharing.

TURNOUT 2015



3. The matrix was developed by the “Anti-corruption” Working Group during 2014.

PARTNERS



PARTNERS

The Global Compact Network Italy Foundation uses a comprehensive partner network, made up of organizations and institutions not participating in the Global Compact of the United Nations, but that share some or all the general aims of the initiative.

Foundation partners may be **public bodies, national or local government institutions, international organisations, foundations** and **non-profit organisations, firms** and **academic institutions** and **relevant associations**. They contribute to the implementation of the activities of the Foundation, and vice versa, through the sharing of knowledge and technical skills, staff, material and logistical resources, programs and courses of action in view of a rationalization of the commitments and for greater effectiveness in the initiatives. In cases of more established partnerships, the Foundation can also start broader design processes of the businesses.

For the year 2015, we thank the following organizations for having supported the Foundation in achieving its objectives and working with us to carry out its program of activities:

Assolombarda Confindustria Milan Monza and Brianza

CSR Manager Network

Ervet SpA

Cariplo Foundation

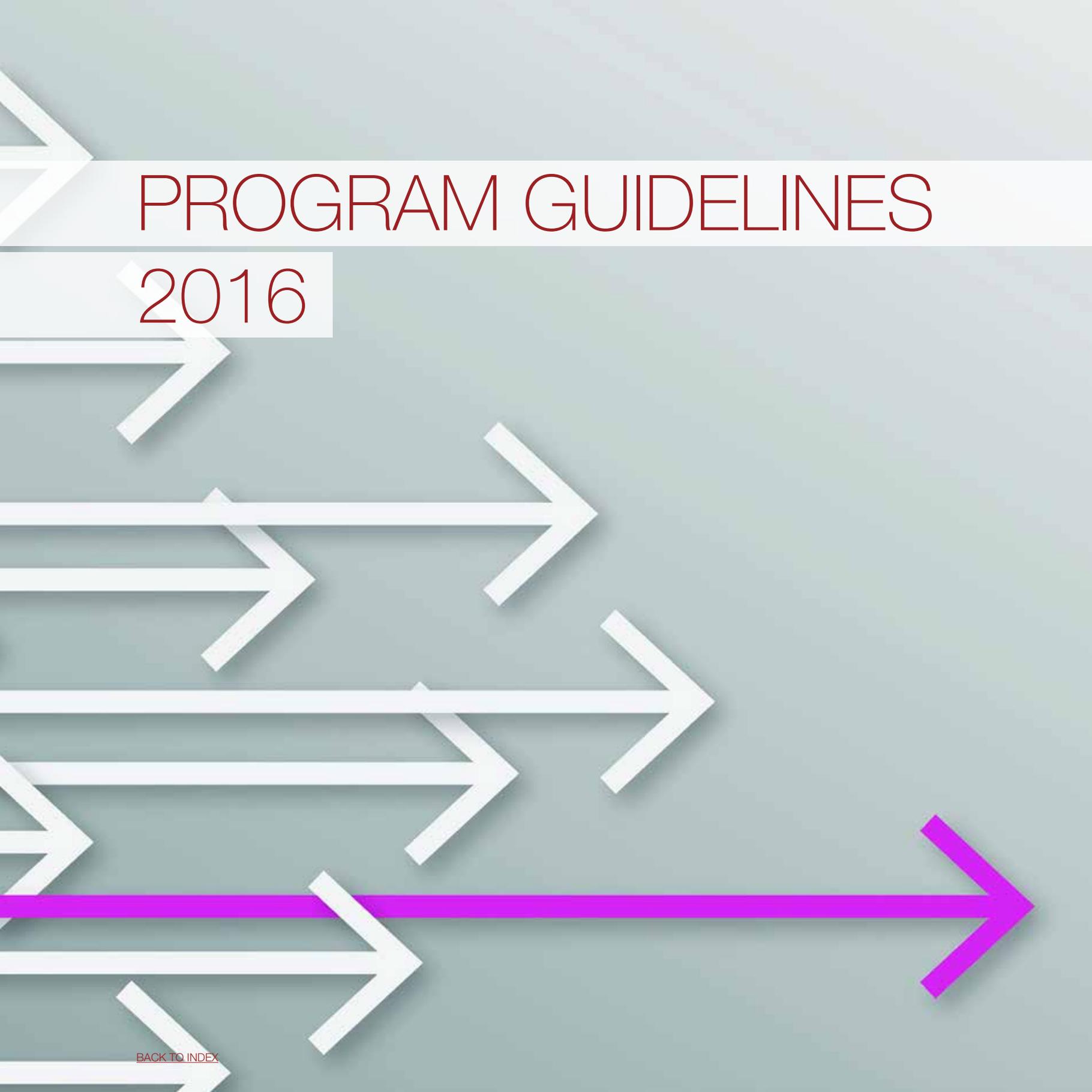
Enel Foundation

Management Institute of the Sant'Anna School of Advanced Studies in Pisa

Ministry of Foreign Affairs - Directorate General for Global Affairs

Ministry of the Environment, and for the Protection of Land and Sea - Directorate General for sustainable development, climate and energy

National Council of the Green Economy



PROGRAM GUIDELINES

2016

PROGRAM GUIDELINES 2016

The Global Compact Network Italy Foundation's objectives for 2016:

- **Increase in the participation of Italian companies** (boost the number of new members and reduce the number of cancellations) in the UN Global Compact and the Global Compact Network Italy Foundation
- **Finalizing and developing the outputs of the “Environment” Working Group** (Report “MAKING THE CASE. Business, biodiversity and ecosystem services as tools for change”), the **“Human Rights” Working Group** (Basic Training materials on Business & Human Rights), and the “Reporting” Working Group (Methodology for the construction of Materiality Analysis) and **TenP - Sustainable Supply Chain Self-Assessment Platform**
- **Strengthening the presence of the Global Compact Network Italy Foundation at international level** through a more structured cooperation with the Global Compact Office in New York and with the leading UN Global Compact European Networks **and at national level** as an institutional representative that speaks on behalf of businesses engaged in sustainability in a multi-stakeholder perspective.
- **Definition of a strategic plan and medium-term planning guidelines** to enable the Foundation to play an active role in the development and operational application of the role of firms in making a contribution to the achievement of the *United Nations Sustainable Development Goals* through the activation of a multi-stakeholder engagement process.



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