UNITED NATIONS
GLOBAL COMPACT
COMMUNICATION ON
PROGRESS REPORT
BY GENERATION ALLIANCE PTY LTD
FOR THE PERIOD 25 JULY 2010 – 25 JULY 2011



Image: still taken from 'Fair Story' global campaign for Fairtrade International - 2011

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Generation Alliance Pty Ltd is proud to be a signatory to the United Nations Global Compact (UNGC) and a member of the Global Compact Network Australia (GCNA).

As a signatory, we are connected to a global community with a shared commitment to corporate social responsibility and the responsible business practice guidelines outlined in the UNGC's Ten Principles across key areas including human rights, labour, environment and anticorruption.

We are a small business committed to positive social development linked to business success. Being part of the Global Compact helps us to deliver on our goals within the broader community while building a powerful network for change – for ourselves, our clients and the business community in which we operate.

Generation Alliance is the only small business in Australia holding a position on the Board of the GCNA. On this Board, and as the Chair of the Communications Sub-Committee, we have a specific role in representing small-medium enterprises (SMEs) and further educating other businesses about the importance of the Millennium Development Goals (MDGs) in providing a framework for the global business community to support social and environmental development.

We have also donated our time and expertise to the GCNA through the provision of strategic communication and design services including the design and production of the GCNA brochure, stationery, communications templates and the development of a new website (currently being built in conjunction with our Alliance partner, Shaking Paper).

Our commitment to the UNGC extends not only to our compliance with the Ten Principles in the way we do business, but also to the clients we choose to work with. We are also conscious of using the opportunities we have to extend our sphere of influence in educating the local and global business community about the importance of the MDGs.

Generation Alliance is a strategic brand, communications and design consultancy defined by strong creative ideas with ethical and sustainable principles. We believe in creating design and communication platforms that inspire and activate change that has a positive impact on organisations, communities and the people within them.

To this end, our key focus is on using our talents and expertise to support our clients and their efforts to make the world a better place, through enabling their communication and storytelling.

The way we work is influenced by what we believe in, including a focus on ethical and sustainable business. We have a successful track record in delivering community and environmental development projects in Australia and the Pacific, and are particularly passionate about our support for the Aid for Trade agenda globally.

Working with clients including Fairtrade International, Pacific Islands Trade & Invest, Botswana Export Development & Export Authority; and as individual consultants to the UN's International Trade Centre, we have sought to enhance the effectiveness of these organisations in supporting enterprises in developing countries.

We also work with corporate clients, such as fellow GCNA members, KPMG Australia, to maximise the effectiveness of their own citizenship and corporate social responsibility programmes aiming to build enterprise capacity within disadvantaged communities.

On a day-to-day basis, we are also concerned with being good corporate and social citizens through our observance of the Ten Principles. Our Code of Conduct, which is signed and agreed to by all employees and suppliers, specifically cites the UNGC Principles as the basis of our ethical, environmental and general business practices.

This report outlines our achievements in the past 12 months and demonstrates our commitment to the UNGC for the coming 12 months.

David Faulks Managing Director 25 July 2011

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In this section we outline the key commitments, activities, systems and outcomes we have initiated through our commitment to the UNGC's Ten Principles in the key areas of human rights, labour, environment and anti-corruption.

As a SME, we consider that the greatest impact we can have is by embedding the UNGC Principles into the service delivery for all of our clients. This provides a significant multiplier benefit beyond what we do within our business itself.

We have actively promoted the role of the UNGC through our work wherever possible. For example, working as individual consultants to the ITC, we have maximized the opportunities presented through our role as Associate Editors on the ITC's quarterly magazine, International Trade Forum, to actively promote the impact and principle of the UNGC. This publication is published in three languages and distributed to an audience across 150 developing countries in print and online form.

For example, we invited Mr. Georg Kell, Executive Director of the UNGC to contribute an article about public-private partnership addressing the question of: Responsible Investment: Why Should Private Equity Care? This article specifically referenced the UNGC and the Ten Principles.

Our commitment to spreading the word about the Ten Principles within our sphere of influence extends to the following initiatives:

- · We have engaged in initial awareness training for all Generation Alliance staff;
- As Chair of the GCNA Communications sub-committee, we are exploring the potential for a series
 of regular briefings, events, forums and collaborative projects by member organisations; and
- We are actively promoting the Principles through our own events and marketing materials (website, newsletters, articles etc).

2.1 HUMAN RIGHTS

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

Generation Alliance is involved in on-going discussions with the Australian Circassian Association in regard to how we can support the rights of the global Circassian community as outlined in the 2007 UN Declaration on the Rights of Indigenous People.

Through our work with KPMG Australia, we recently met one of their indigenous partners and Aboriginal rights advocate, Shane Phillips from Tribal Warrior Association. In response to an interview question with Mr. Phillips, where he answered that the support he really needed was an introduction to business networks, we invited him to be a speaker at one of our events. On 4 August 2011, we will be hosting an event for 60 key clients, partners and business associates entitled 'things that matter'. Mr. Phillips will speak about the importance of human rights, specifically relating to Indigenous Australians.

In the next 12 months, Generation Alliance is committed to support the human rights of refugee and indigenous people in Australia. We are currently working on a strategy for this with potential partners including Information and Cultural Exchange (see 3. Supporting the Community), the Salvation Army and our fellow GCNA members.

2.2 LABOUR

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

As a small team of 17 people, we are fortunately not faced with many of the labour rights issues that many larger organisations are faced with. However, our belief in a fair, safe and discrimination-free workplace is no less important to us.

Our sphere of influence in this area extends to the work we do with our clients – particularly Fairtrade International and the International Trade Centre (ITC). In enhancing the effectiveness of their communications, we are supporting these organisations to build capacity, provide greater value to producers and strengthen enterprises in developing countries.

For example, we have promoted UN and ISO international standards for labour rights through the following:

- Editorial features in the ITC's International Trade Forum magazine including:
 - Issues dedicated to Global Value Chains (issue 4/2010) and Quality & Standards in International Trade (issue 3/2010) which included features on labour standards, such as:
 - Closing the Gap: Quality and Standards in Ethical Supply Chains Interview with Dan Henkle, Senior Vice President, Global Responsibility, Gap Inc. (Issue 3/2010). This interview was the result of our Editor, Kris McIntyre, attending an Executive Roundtable meeting in Sydney facilitated by the NSW Department of Trade & Investment and the United States Studies Centre at the University of Sydney on ethical and sustainable business practices.
 - Ethical Fashion: Quality Control in Africa Community Projects (Issue 3/2010)

Our role as creative lead on Fairtrade International's first global campaign, Fair Story, which
promoted fair labour principles to new audiences through embracing social media technology
(Facebook Connect).

In consultation with the ITC and significant fashion industry leaders, we committed strategic and creative resources to develop a major new communications programme around ethical fashion. This is a work in progress and something we plan to develop further in the coming 12 months.

We are also investigating signing up to the Australian Employment Covenant in support of indigenous employment for future recruitment needs at Generation Alliance.

2.3 ENVIRONMENT

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

Generation Alliance has a relatively small carbon footprint, but with a commitment to the environment we have undertaken the following measures to reduce the environmental impact of operations and services provided:

- The implementation of in-house office paper recycling systems;
- The implementation of office waste and recycling systems*;
- A preference to work with Forest Stewardship Council (FSC) certified printers;
- We work with our printing and paper suppliers to use pre-and post-consumer recycled stock wherever possible;
- The purchasing of recycled paper products (including printing paper, paper towels, toilet paper);
- We have introduced the use of electronic filing systems to reduce the need for paper files;
- We have encouraged car pooling and walk / ride to work options by staff;
- The use of video conferencing and Skype technology for international and interstate client engagement wherever possible to reduce the requirement for travel; and
- · When flying we opt to pay the carbon offset surcharge.
- * In May 2011, Generation Alliance moved offices to a more environmentally-friendly space in terms of its energy usage and management. However, we have also discovered that the building, due to local Council laws, does not currently have a full recycling system in place. We are actively campaigning to change this and will make this one of our priorities (for our building and the local business community) within the next 12 months.

Through our work with the ITC, we have also promoted the importance of the Principles related to the Environment including an issue for the ITC's International Trade Forum magazine dedicated to Trade and Climate Change (issue 1/2010).

Senior Generation Alliance team members regularly attend public and corporate events around environmental issues and are also actively engaged in environmental sustainability groups, including the Environmental Professionals Forum in Sydney.

We have also invited the Australian Representative to the UNGC and expert on the environment, sustainability and business, Mr. Matthew Tukaki from The Sustain Group, to speak at the first of our regular events on topical issues on 4 August 2011. We will continue to host events of this nature based around themes relevant to the Ten Principles in the future.

2.4 ANTI-CORRUPTION

· Businesses should work against corruption in all its forms, including extortion and bribery.

Generation Alliance is committed to high standards of personal, ethical and professional conduct. All employees, consultants and suppliers engaged by Generation Alliance are required to sign an agreement to maintain a standard of professional behaviour that promotes ethical standards related to anti-corruption.

Our Code of Conduct, specifically states:

"It is expected that, in carrying out your role, you will:

- · Act in good faith and with honesty, integrity, transparency and impartiality;
- Act with diligence and responsiveness and treat other Generation Alliance members with fairness, respect and courtesy and without discrimination or harassment;
- Not act in a manner that inhibits another person in our team from fulfilling the requirements of their position;
- Respect the confidentiality of entrusted information;
- Be alert to issues of conflict of interest and take action to declare and avoid them;
- Use Generation Alliance resources properly and in accordance with occupational health and safety obligations;
- · Report all fraud and corrupt conduct; and
- Ensure that any outside interests, personal beliefs and private commitments do not interfere with, or influence, your duties and responsibilities.

You must also avoid conduct that:

- · Is improper, unethical or illegal;
- · Is an abuse of power or otherwise amounts to misconduct;
- Causes, comprises or involves intimidation, harassment or verbal abuse;
- · Causes, comprises or involves discrimination, disadvantage or adverse treatment; and
- Causes, comprises or involves prejudice in the provision of a service to our clients.

Ethical Standards

Generation Alliance is a signatory to the United Nations Global Compact (UNGC), which means we must abide by the core values in the areas of human rights, labour standards, the environment and anti-corruption as outlined in the UNGC's Ten Principles..."

We are also involved in conversation with a potential client who is actively involved in reducing corrupt behavior in terms of financial transactions within the global value chain. We are looking to enhance their effectiveness through improved communications including their web presence and other media.



Generation Alliance makes a commitment to donate 10% of profits derived from our professional services annually to pro bono and 'low bono' clients. In 2010-2011, this has included:

Information and Cultural Exchange (ICE)

For more than 20 years, Information and Cultural Exchange (ICE) has worked at the intersection of arts, community and technology helping the people of Western Sydney tell their stories through digital mediums such as film, urban music and any other medium with a pulse or a pixel.

Specialising in digital media and community cultural development that involves thousands of people every year, ICE is particularly known for its success with newly arrived migrant and refugee communities, as well as for youth arts. ICE also runs the renowned Artfiles program, a professional support program and information exchange that keeps an audience of 200,000 linked to Western Sydney's most inspiring creative producers.

With admiration for the work ICE does in developing communities through creative vehicles, Generation Alliance provided pro bono support to ICE in creating the identity for their new state-of-the-art multimedia and digital arts access centre, Switch.

We also supported ICE in developing a corporate brochure for Switch and the invitation to the opening event of the new facility on a low bono basis.

As mentioned earlier (see 2.1 Human Rights), we are planning to work with ICE on refugee support programs in the next 12 months.

Faitrade International

Generation Alliance was engaged to lead the creative development of Fairtrade International's first film-based global campaign, which was launched across 10 countries in February-March 2011. The 'Fair Story' campaign is a consumer awareness campaign comprising a dedicated microsite www.fairstory.com that integrates an inspiring educational film with social media extensions through Facebook Connect.

The brief for the campaign was to enhance public understanding of Fairtrade at a rational level, and create a connection with Fairtrade at an emotional level; bringing the idea of 'empowerment' to life in a way that inspires the public to buy Fairtrade; and engage new audiences through the use of digital technology.

This powerful campaign was brought to life through an alliance of creative agencies across four continents, which collaborated to bring together a mix of traditional story telling with unique graphic and animation treatments, with a film piece shot on location in Kenya.

The film piece was produced in a 90 second format for web, activated through a far-reaching social media execution that invites each viewer to participate directly into the 'Fair Story' through Facebook Connect. A series of 30-second TVC's were also created in four languages to screen across Europe. A multi-media brand extension programme created by Generation Alliance also supports the campaign.

Through our belief in the power of storytelling to connect people and help communities and producers around the world, we invested in excess of AUD\$100,000 in professional services towards this campaign.

Australian Pacific Business Coalition on AIDS

The Asia Pacific Business Coalition on AIDS (APBCA) is an Australian organisation leading the private sector response to HIV/AIDS in the Asia Pacific region. APBCA believe that the private sector has a unique and valuable role to fulfill in providing education to the working age population who are most at risk of contracting HIV.

APBCA and its network of national business coalitions works with private sector businesses to limit the impact of HIV/AIDS and tuberculosis (TB) throughout the workforce by providing businesses and their staff access to education, care and support services for both HIV and TB.

The Smart Hotels Program is one of many education programs targeted at the tourism and hospitality sector. As one of the most dynamic and important branches of the global economy, the tourism industry relies heavily on its investment in human resources, recognising that employees of the tourism and hospitality sector are at risk of HIV and TB infections.

Generation Alliance provided low bono support to APBCA, including the development of a new brand architecture for the program, identifying and simplifying key messaging in order to strengthen APBCA's leadership position. We also developed creative concepts to demonstrate how the brand would come to life through the organisation's corporate communications.

United Nations Global Compact Network Australia (GCNA)

In addition to our commitment to attend GCNA board meeting and events, we have donated our time and expertise to the Australian Network through the provision of strategic communication and design services including the design and production of the GCNA brochure, stationery, communications templates and the development of a new website (currently being built in conjunction with our Alliance partner, Shaking Paper).

Donations

In addition to our pro and low bono support for the above-mentioned organisations, we have also made financial donations (as a company and individuals) to support:

- The UNICEF Australia Pakistan Floods Appeal;
- · The Haiti Earthquake Appeal; and
- Queensland Flood Appeal through Australian Red Cross.

CONCLUSION

In summary, this Communication on Progress demonstrates the commitment of Generation Alliance to the Ten Principles of the UNGC.

These Principles are integral to the values, operating philosophy and day-to-day service delivery of our business.

Although we are a small business, we believe that the impact of our work, particularly with the clients we choose to work with, has a significant effect.

For us, this is more than just a commitment to how we do things inside the business but also about how we can stimulate real change in the community by investing time, resources and our expertise on projects that matter to the global community and the environment.

We are proud to be a signatory to the UNGC and look forward to achieving our own commitments and continuing to support the GCNA and its members in the coming year.

