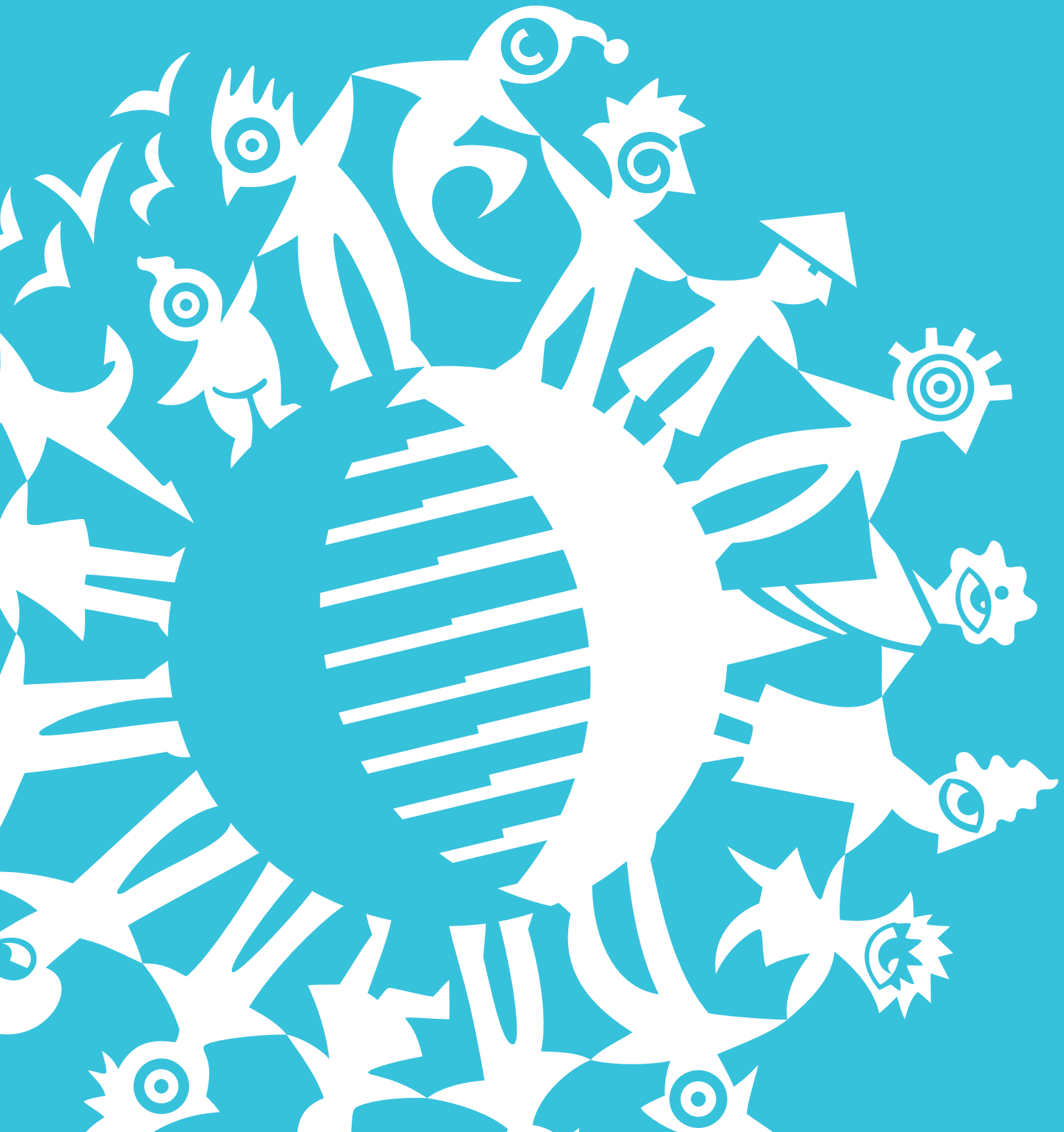


# UN GLOBAL COMPACT REPORT

Reporting period: July 2010 – June 2011





# Futureye

Real solutions to real dilemmas

Futureye is a ten year old Melbourne-based management consulting firm specialising in corporate communications and social licence to operate. As one of Australia's leading management consultancies, we align stakeholder expectations with company performance to protect organisations from the uncertain outcomes of community concern and public outrage.

We work with a range of stakeholders to help businesses address the political and regulatory risks that come with a negative reputation.

Our major contribution to the UN Global Compact Principles is to assist our clients to recognise, adopt and implement systems to fully comply and to promote the adoption of the UN Global Compact.

Our operation does have a small negative impact on the environment and we believe in doing all we can to minimise our negative impacts and enhance our positive contribution. Our operation has a positive impact on the society through the nature of the business, the jobs it creates and projects it undertakes.

Futureye is delighted to have been a part of the establishment of the Australian Local Country Network of the UN Global Compact. We are no longer on the steering group, but remain active members of the network. I have also enjoyed participating as a facilitator and speaker at previous Leadership Summits.

Katherine Teh-White  
Managing Director  
Futureye Pty Ltd



This is our **Communication on Progress** in implementing the principles of the **United Nations Global Compact**.

We welcome feedback on its contents.

# ABOUT FUTUREYE - CORE BUSINESS ACTIVITIES

## OUR CLIENT WORK

**Our Vision: “Enabling sustainability in companies, governments and communities to deliver net positive social, environmental and economic outcomes.”**

Futureye worked hard to keep sustainability on the agenda during the recent Global Financial Crisis and believe that organisations that embrace sustainable development are more resilient and successful over the long term. In 2010-11, Futureye undertook a number of significant projects which helped us to achieve this vision. Examples of how we helped companies achieve the principles of the Global Compact include:

### IMPROVING STAKEHOLDER ENGAGEMENT

Futureye worked with a resources company developing a coal mine and the activist groups who did not want it to go ahead. We conducted stakeholder consultation to assess industry and community views, to clarify key concerns and to identify the gaps that needed to be addressed through a new approach. Futureye's work helped the company to address community concerns and resulted in a substantial reduction in the level of outrage and community activism around the project.

### A SUSTAINABILITY FRAMEWORK FOR INDUSTRY

With the rapid expansion of the resources industry in Australia, Futureye was asked to assist an industry group to develop a program to respond to the challenges faced by the industry. Through conducting research into the resource industry's current state, Futureye challenged the industry to define how it wanted to be positioned in the future and how it intends to achieve each outcome. The work encouraged the industry to proactively engage with employees, government, suppliers and the community to resolve concerns.

### GAINING SOCIAL ACCEPTANCE FOR A LOCAL INDUSTRY

Futureye conducted stakeholder engagement for a food processing company in a metropolitan area after community outrage and media coverage about emissions from the plant increased. Futureye conducted initial interviews with concerned stakeholders and implemented a community engagement plan designed to address and reduce community concerns. The plan focused on changing the company's traditional approach to dealing with stakeholder issues and developing a more collaborative and transparent operating environment. Following implementation of the plan, the number of complaints received by the company and local council reduced substantially, with no negative media articles about the plant being reported since.

### OUTRAGE CAPABILITY TRAINING

Futureye worked with operational field staff for a major resources company to build their understanding and capability around outrage management and effective stakeholder engagement practice in a hostile environment. The staff found the training to be beneficial in showing them a new way of engaging with stakeholders and resulted in a substantial reduction in antagonism at sites. The end result was increased land approvals and less project delays.

### HUMAN RIGHTS POLICY FRAMEWORK

Futureye developed a human rights policy audit model for a major oil and gas company, recognising the latest development of human rights policy internationally. The model was developed in consultation with Human Rights expert, Dr. David Kinley. The audit model was cross checked against all of the company's existing policies and recommendations made on the basis of the findings.

## EVENTS AND TRAINING

The Futureye Members' Circle continued to be a valuable resource for many corporations and individuals. Members were regularly updated via newsletters on emerging issues and trends affecting their organisations or industry. Futureye also organised regular events, seminars and training sessions that provided the opportunity to meet and interact with leading sustainability professionals across business, government and NGO sectors. Our program in 2010 included a number of thought-provoking forums. Some of the speakers and topics of our 2010 program included:

- OneSteel Whyalla - Working with activists to address concerns - a forum bringing together Mark Parry, Chief Executive Whyalla for OneSteel and Eddie Hughes, Chairman of its Environmental Consultative Group, to discuss how they developed environmental improvements through a process of effective consultation and engagement between business and activists; and
- The status of greenwashing in Australia and ways companies can avoid it - an update on the current state of play delivered by presentation from Sam Osborn from Osborn Consulting.

# FUTUREYE REAFFIRMS OUR COMMITMENT TO THE 10 PRINCIPLES OF THE UNGC:

## HUMAN RIGHTS

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

## LABOUR

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

## ENVIRONMENT

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

## ANTI-CORRUPTION

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

These principles are implemented throughout our business and we strive to continuously improve our performance in all of these areas. Futureye recovered well from the recent global downturn and has now doubled its staff size and undertaken some ground-breaking significant work for major industries, including the Australian Banking industry. Now ten years old, Futureye is realising the benefits of continued development of its intellectual capital. The latest example of our futures work is the development of the Wikicurve, a powerful crowd sourcing technology tool to track the maturation of issues in a social policy context.

## OUR PERFORMANCE IN 2010 AND FUTUREYE'S RESPONSE TO THE TEN PRINCIPLES OF THE UNGC:

**Futureye has reviewed performance against the targets we set ourselves for this reporting period. We have largely achieved of goals and provided a good base for further improvements in 2011-12.**

### SOME HIGHLIGHTS:

**Green energy:** 25% of our energy usage is now from accredited green power.

**Driving continuous improvement:** We implemented a green office policy, encouraged staff ideas, and adjusted our behaviours to improve our sustainable performance.

**Community involvement:** Futureye's Managing Director, Katherine Teh-White is an Advisory Board Member at Castan Centre for Human Rights Law and Chairman of the Advisory Board, Bachelor of Arts International Studies at Deakin University. She was also on the steering committee to establish the Australian for the UNGC in.

**Green procurement:** During the year, Futureye actively worked to specify accredited and labelled green purchases wherever available. We have also looked for any opportunities to reduce our overall consumption of resources. This has included re-using some single sided paper documents before they are placed in recycling bins.

### HUMAN RIGHTS

#### PRACTICAL ACTIONS

#### EVIDENCE / MEASUREMENT OF OUTCOMES

##### Principle 1:

Businesses should support and respect the protection of internationally proclaimed human rights

Futureye pledges its full support for The UN's Universal Declaration of Human Rights.

We have developed a 'code of conduct' kit that specifies our behavioural and ethical standards that all employees of Futureye must adhere to.

When possible, we source Fairtrade products for office use.

Futureye applies the Universal Declaration of Human Rights to all applicable business practices, and also consults client organisations on their human rights policies and practices. This will continue to be a cornerstone of our business model into the future.

We continue our endeavour to purchase Fairtrade products whenever possible, and are on the lookout for new products and materials that adhere to Fairtrade guidelines.

##### Principle 2:

Make sure that they are not complicit in human rights abuses

Our client work regularly seeks to support and respect internationally proclaimed human rights, and recently has included the development of a human rights policy audit model for a major oil and gas company.

### TARGETS FOR 2011-12:

1. Sponsorship of the Castan Centre for Human Rights Law.
2. Futureye to attend Rio Earth Summit 2012.
3. Further development and trialling of Futureye crowd sourcing technology tool to track the maturation of issues in a social policy context platform (Wikicurve).

## LABOUR

## PRACTICAL ACTIONS

## EVIDENCE / MEASUREMENT OF OUTCOMES

**Principle 3:**  
Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining

Futureye recognises all employees' rights to associate freely and participate in collective bargaining.

All staff members are free to bargain collectively and Futureye does not impinge on freedom of association.

**Principle 4:**  
The elimination of all forms of forced and compulsory labour

While forced and child labour are not identified as issues within our business sector, we fully support Principle 4 and 5's commitment to eliminate forced and child labour.

Futureye is committed to uphold its opposition to all forms of forced and child labour and will only deal with other businesses that, to the best of our knowledge, hold themselves to the same standard.

**Principle 5:**  
The effective abolition of child labour

Futureye abides by all relevant minimum age laws and regulations in Australia and overseas.

Due to our commitment to Occupational Health and Safety, in a decade of operation, we have had no noteworthy accidents or incidents involving our staff members.

**Principle 6:**  
The elimination of discrimination in respect of employment and occupation

Futureye is an Equal Opportunity Employer, and abides by the Victorian Equal Opportunity Act of 2010, which makes it unlawful to discriminate against a person on the basis of such things as disability, sex, sexual orientation, religion, race, political orientation, marital status, amongst other criteria. We have in place an Equal Opportunity and Harassment Policy which applies to all business activities and outlines our commitment to creating a diverse and harassment-free work environment.

Futureye will continue to be an equal opportunity employer and we will make constant improvements to our policies related to this area.

We have a comprehensive Occupational Health & Safety Policy that sets up systems to ensure we provide a safe and secure work environment for all staff.

Our People Policy details general staff employment conditions that take into account Principle 3-6 of the UNGC.

### TARGETS FOR 2011-12:

1. To partner with other anti-slavery organisations and raise awareness of the prevalence of slavery, as well as the role businesses already do and can play.
2. To offer employees greater flexibility with their working hours to recognise the importance of work-life balance.

## ENVIRONMENT

## PRACTICAL ACTIONS

## EVIDENCE / MEASUREMENT OF OUTCOMES

**Principle 7:**  
Businesses should support a precautionary approach to environmental challenges

**Principle 8:**  
Undertake initiatives to promote greater environmental responsibility

**Principle 9:**  
Encourage the development and diffusion of environmentally friendly technologies

Futureye has in place Green office, clean desk and IT policies that provide purchasing, recycling and waste minimisation guidelines.

In addition, procedures to retain a higher proportion of records in electronic format, rather than paper copies, facilitate the reduction of consumption of paper and other materials. Double sided, black and white printing is set as default whenever possible on our office printers.

The majority of our staff walk, cycle and catch public transport during their daily commutes.

We purchase carbon offsets for our company cars and air travel at the end of each year. Our electricity contract takes advantage of the GreenEarth carbon offset programme now available from our supplier. Our company car is a hybrid.

Futureye has Board level representation at Eco-Buy and is also an associate member of the initiative, which has a policy of sourcing products and services from suppliers who share our commitment to sustainable development. This includes specifying products that are biodegradable, recyclable and environmentally friendly.

Our client work is heavily focussed on all areas of sustainability – which includes sustainability of the environment.

All paper used in office equipment is 100% recycled.

All waste paper, plastics and aluminium is recycled in designated recycle bins.

Computers are switched off each night, along with all non-essential lighting.

We are committed to reducing our energy consumption and are able to demonstrate a downward trend in energy usage over the last few years:

2006-07: 19,810 kWh

2007-08: 27,140 kWh

2008-09: 24,580 kWh

2009-10: 23,440 kWh

2010-11: 18,447 kWh

Futureye is steadily reducing its annual paper waste, despite a temporary increase in 2009 and 2010:

2006: 0.35 tonnes

2007: 0.32 tonnes

2008: 0.30 tonnes

2009: 0.44 tonnes

2010: 0.43 tonnes

Paper usage increased during the last two years as a result of bringing some business printing in-house as part of cost saving measures. Paper usage has also increased due to the recycling of a large volume of archived paper files and reference materials that were no longer required.

Due to us changing our electricity contract to take advantage of the GreenEarth carbon offset offered by our electricity supplier, our total greenhouse gas emissions generated was 4.71 tonnes and our greenhouse gas emissions saved was 1.57 tonnes, utilising a 25% green power mix.

#### TARGETS FOR 2011-12:

1. To reduce total energy usage and switch to a minimum of 30% accredited green power by the end of the year.
2. To introduce policies and processes that facilitates a move to paperless record keeping, communication and reporting.
3. To look for further opportunity to review our suppliers and purchases to support properly accredited and labelled biodegradable, recyclable and environmentally friendly products.
4. To purchase 'keepcups' for the office to reduce the amount of waste associated with buying coffee.
5. To invest in video-conferencing facilities that reduces Futureye's need for air travel.

## ANTI-CORRUPTION

### PRACTICAL ACTIONS

### EVIDENCE / MEASUREMENT OF OUTCOMES

#### Principle 10:

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

Due to the nature of the industry in which we operate, Futureye's exposure to corruption is low. However, our employees are guided by our 'code of conduct', which outlines boundaries of expected and accepted behaviour.

Through our client work, Futureye focuses on assisting organisations on minimising their impacts in this contentious area, via services such as ethics and human rights audits.

Futureye has a 'no tolerance' policy in regards to corruption, including extortion and bribery.

Futureye will continue to be heavily involved in client work that is focussed on elimination of corruption.

#### TARGET FOR 2011-12:

1. Implement a purchase order system so that Futureye purchases must go through a formalised system with appropriate checks and balances, to ensure that company funds are being used only for legitimate business purposes.