



Reporting period: July 2009 – June 2010

Global Compact Report

Futureye is a strategic advisory firm that helps organisations proactively meet the challenges of sustainable development.

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.

Progress by Futureye on delivering the principles of the Global Compact can be analysed by our spheres of influence:

- 'Core Business Activities' – how we operate, our internal processes and the ways we are trying to minimise the impact our operations have on the environment and society at large;
- 'Supply Chain' – the types of products and service we use to run our business, how we select these to minimise our impacts, and who we choose as our business partners to help us meet our targets;
- 'Community Interaction' – how we work with organisations to help them develop into proactive, sustainable organisations that meet and go beyond the requirements of the Global Compact; and
- 'Public Policy and Advocacy' – how we provide thought leadership and provide forums to enhance public perceptions and informed debate on sustainability issues.

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 also enjoyed the Leadership Summit I was invited to in June this year and to be able to participate as a facilitator and even a small-time speaker!

Katherine Teh-White
Managing Director
Futureye Pty Ltd

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 spheres of influence and we strive to continuously improve our performance in all of these areas. Unfortunately, the recent global downturn has had a significant effect on Futureye. This resulted in an unavoidable reduction of our staff numbers, our capacity to undertake non-essential activities, and the level of work available. This resulted in some unavoidable, but still disappointing outcomes for performance measures based on 'per employee' measures. On the positive side, we are now in a rebuilding phase with a more disciplined focus on achieving our long term goals.

Core Business Activities

A Fair, Equal and Sustainable Workplace

Futureye has an induction manual issued to all staff and updated regularly. This contains our:

- People Policy that details general staff employment conditions;
- Code of Conduct Kit that specifies our behavioural and ethical standards;
- Equal Opportunity and Harassment Policy that outlines our commitment to creating a diverse and harassment-free environment;
- Occupational Health & Safety Policy that sets up systems to regularly of performance in providing a safe and secure work environment; and
- Green Office, Clean Desk and IT Policies that provide purchasing, recycling and waste minimisation guidelines.

Futureye offers flexible working arrangements to meet the work-life balance sought by our staff. In addition, we continue to provide professional development opportunities for our team through individual and group sessions.

Our Operations and Processes

As a professional services firm, Futureye's impact on the environment is small. However, we believe in minimising our negative impacts and enhancing our positive contribution. We do this in a number of ways:

- We purchase 100% recycled paper for use in office equipment;
- Used paper and plastics are recycled;
- Futureye is steadily reducing its energy consumption yearly as indicted in Table 1 below¹;

Table 1 – Yearly energy usage comparison

Year	Energy usage per year	Number of employees
2006-07	19,810 kWh	8 full-time equivalent
2007-08	27,140 kWh	9 full-time equivalent
2008-09	24,580 kWh	12 full-time equivalent
2009-10	23,440 kWh	7 full-time equivalent

¹ Origin Energy, 2006-2010 reports

- Futureye is steadily reducing its annual paper waste, but there has been a temporary increase in the current year as shown in table 2 below²;

Table 2 – Yearly paper wastage comparison

Year	Wastage per year	Number of employees
2006	0.35 tonnes	8 full-time equivalent
2007	0.32 tonnes	9 full-time equivalent
2008	0.30 tonnes	12 full-time equivalent
2009	0.44 tonnes	7 full-time equivalent

- Paper usage increased during the year as a result of bringing some business printing in-house as part of cost saving measures;
- Paper has also increased due to the destruction of a large volume of archived paper files and reference materials that are no longer required;
- Offsetting this, procedures are now being implemented to retain a higher proportion of records in electronic format, rather than paper hard copies;
- 100% recycled paper is purchased for use in office equipment;
- In addition, all paper and most plastic products are recycled;
- Double-sided printing is set as the default where possible for printers. In addition, our main printer has a counter so that monthly paper usage can be monitored and reported; and
- The majority of staff walk, cycle or catch public transport to work; and
- We offset the greenhouse gas emissions of our company cars and air travel at the end of each year.

‘Supply Chain’

Futureye is an associate member of Eco-Buy and 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.

Eco-Buy promotes and facilitates green purchasing. Futureye has Board level representation on this organisation and adheres to the recommended purchasing guidelines.

We have recently changed our electricity contract to take advantage of the GreenEarth carbon offset programme now available from our supplier via their 20% GreenPower accredited renewable energy account.

Where we have an option, we source Fairtrade products.

² Visy Recycling, 2006-2010 reports

'Community Interaction'

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 Global Financial Crisis and believe that organisations that embrace sustainable development are more resilient and successful over the long term. In 2009, 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:

- **Developing a social license strategy for a proposed mine:** Futureye has been working with a resource company that wants to develop a coal mine and the activist groups who do not want it approved. We have undertaken stakeholder consultation to assess industry and community views, to clarify key concerns and to identify the gaps that need to be addressed through a new approach. Futureye is now preparing a report about the path forward for better community engagement.
- **A sustainability framework for the cruising industry:** As a result of problems experience as a result of cases of swine flu on one of its ships, a major cruise line found itself in a challenging position. Recognising its dependence on Pacific Island communities, the company turned to Futureye to build an internal understanding of its environmental and social context and the risks and opportunities presented by the new sustainability era for its business.

Futureye researched key sustainability insights and community engagement models from the cruising industry and then facilitated a process to:

- Build an understanding of the new era of sustainability and the implications for cruise lines;
- Assess risks and spheres of responsibility;
- Build an understanding of a social license to operate in the cruise industry context; and
- Present models for engagement with local communities to manage issues.

As a result of the Futureye process, our client has adopted a sustainability framework and has initiated its engagement with Asia-Pacific leaders on it.

- **Increasing knowledge & communication of the importance of biodiversity:** CSIRO commissioned Futureye to analyse the history of ideas surrounding biodiversity in order to get across a vast range of information in this space quickly and to inform the organisation's public position on the issue. The Futureye social maturation curve model was used to analyse, track and evaluate the social progression of biodiversity over time. The model was then used as:
 - **A collaboration tool:** To enable issues specialists to see how their individual roles fit into the whole and build a shared view of critical components of history;
 - **A communication tool:** To visually represent the development of biodiversity for future presentations and explanations to others who are not as knowledgeable about it; and
 - **A trend analysis and forecasting aid:** It was used to track/monitor the evolution of biodiversity to anticipate the next phase of issues from a public-policy perspective.

CSIRO furthered its understanding of unique opportunity to shift biodiversity to be higher on the political radar and position it as a nationally and globally significant issue.

“The CSIRO scientists involved were leading biodiversity experts, and found the process very stimulating and illuminating. Futureye were very focused and kept the process on track. The insights gained could not easily have been gained in any other way and the findings are currently being worked up into a paper for a biodiversity journal.”

Mark Lonsdale

Chief, CSIRO Ecosystem Sciences

Events and Training

The Futureye Members' Circle is a valuable resource for many corporations and individuals. Members are regularly updated via newsletters on emerging issues and trends affecting their organisations or industry. Futureye also organises regular events, seminars and training sessions that provide the opportunity to meet and interact with leading sustainability professionals across business, government and NGO sectors. Our program in 2009 included a number of thought-provoking forums. Some of the speakers and topics of our 2009 program included:

- *What are the Implications of the Global Financial Crisis on Sustainability* - a discussion led by Gavin Murray, Head of Pacific Region, International Finance Corporation on the implications on project financing as a result of the global downturn;
- *Civilising Globalisation: Human Rights and the Global Economy* - a forum led by Professor David Kinley, Chair in Human Rights Law, Sydney Law School; and
- *Integrating Corporate Social Responsibility into a Small Company* - presented by Helen Souness, Marketing Director, SEEK.

Forum speakers delivered and planned for 2010 include:

- *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 by Sam Osborn from Osborn Consulting.

‘Public Policy and Advocacy’

Our Public Face

Futureye is committed to building a deeper understanding of the growing and important field of sustainable development strategy, policy and communication. We actively participate and encourage in public debate on these matters.

In 2009, Futureye again published its Members' Circle Yearbook. This highlighted emerging issues & trends for the year, provided examples of sustainability theory & practice, as well as summaries of Futureye forums.

Katherine Teh-White attended the UNGC Leaders Summit held in New York in June 2010, facilitated a table and spoke on behalf of her table about its ideas.

As a panellist for the Brand Integrity and the Green Economy session at the Futures Summit held in Melbourne in May, she led discussion on 'Going Green'. This is increasingly becoming the point of difference in products and services on the market. Many companies are developing green campaigns, but without the proper regulatory measures, there is a danger that these amount to little more than a "green washing" tool. Katherine's speech covered issues such as:

- How will sustainability redefine the relationship with the customer and what does a sustainable brand look like?
- How can customers be involved in a company's transition to a more sustainable model and remain connected over the life of the product?
- How does sustainability add to an organisation's shareholder value?

Katherine also has a speaking engagement in August 2010 at the Land Access Forum in Brisbane. This aimed to encourage stakeholder engagement in land access and addressing topics such as:

- Involving landholder and community consultation in the exploration approval process;
- Identifying all stakeholders associated with desired exploration leases; and
- Engaging with and developing an understanding of stakeholder issues.

Eyal Halamish, Futureye consultant, was one of 25 young leaders granted a fellowship at the Centre for Sustainability Leadership. The 8-month course trains young leaders to develop and deliver projects both at and away from work in order to address sustainability issues. As a result of this course, Eyal has worked with a group of young leaders across a range of industries to build a not-for-profit website which links young people with politicians on issues that youth care about.

In December 2009, Eyal Halamish partnered with Ross Harding, consultant at WSP Lincolne Scott, to deliver an on-the-ground research road trip which showcased Australia's renewable energy technologies to the younger generation using social media channels. The two consultants travelled to 10 large scale renewable power stations during the holiday break between December 22nd and January 4th to interview operators and local community members about the energy form and their perspectives.

Eyal Halamish was one of 15 young professionals in the environmental field who received a scholarship to attend the Germany Close Up 10-day research tour in Berlin, Germany. Participants spent 10 days in Berlin meeting with Corporate Executives, Diplomats and Energy professionals about reconciliation over Germany's WWII history and the development of a booming renewable energy sector.

Pro bono support for the Australian Conservation Foundation catalytic projects:

The Australian Conservation Foundation All-Staff Ideas Hothouse aimed to bring together staff from different parts of the organisation to develop 'catalytic and audacious' projects of national scale. ACF requested Futureye develop and facilitate a process which fostered idea generation, instilled new culture of cross-organisational thinking, and established the framework for future Ideas Hothouses.

Futureye agreed, on a pro bono basis, to design and facilitate a full-day collaboration and innovation workshop for 40 staff divided into groups of 6. This developed the skills of participants to think laterally and out to the future about the organisation, how external stakeholders perceive issues the ACF works on, and how to develop effective pitches for new ideas.

ACF is now planning to implement a regular Ideas Hothouses in order to maintain the culture of collaboration and innovation formed during the workshop. The group also plans to implement tools and approaches used in the workshop for other internal processes.

"Futureye understood what we needed and helped us to create the space for our staff to share and finesse their ideas, building ownership of the projects and helping to cement a culture of creativity and innovation across the organisation. Staff were motivated and enthused by the day, and we came away with some strong and well tested project ideas to take forward in the next year."

Don Henry

CEO, Australian Conservation Foundation

Our Affiliations

In addition to the UN Global Compact, Futureye has ongoing associations with like minded organisations.

Futureye is a corporate member and Katherine Teh-White is a board member of EcoBuy who promote and facilitate environmentally friendly purchasing.

Katherine is also on the fund raising committee for the Castan Centre for Human Rights at Monash University.

Our Team

Jerry Ellis

Jerry is Chairman of the Futureye advisory board. He is also Chairman of Landcare Australia and the Earth Resources Development Council.

Katherine Teh-White

Katherine is the founder and managing director of Futureye. She has significant experience in shaping strategies that can simultaneously improve reputation and sustainable development outcomes in highly challenging landscapes.

Lloyd Fleming has over 15 years experience working in organisations that want to explore different ways of thinking in order to find new and better approaches to business. His insights and solutions have helped companies to understand and respond to complex risk and sustainability issues in simple yet practical ways.

Matthew Trewin has more than twelve years experience as a corporate affairs, sustainability and crisis management practitioner. His experience has been in organisations in both the public and corporate sectors, including State and Federal Government and ASX listed companies.

Eyal Halamish is an innovation and stakeholder engagement specialist. He has onsite sustainability auditing experience as well as interviewing and strategy development expertise.

Hugh Foley has experience in delivering strategic advice to a range of corporate and government clients. A qualified lawyer, Hugh has a keen interest in stakeholder engagement and experience in developing corporate sustainability initiatives.

Caroline Baxter is a regulatory approvals and stakeholder engagement planner with extensive risk communications experience. She led an investigation into current and emerging issues that either build or break-down the social license to operate for the minerals industry in Australia, USA and Canada.

Graeme Eddiehausen has extensive management experience in both international and local businesses in the manufacturing industry. He has played key roles in numerous projects, focusing on the achievement of efficiency improvements in IT and management systems, work processes and organisational structures

Futureye Associates

Futureye also has a large group of Associates who have recognised expertise in a range of public policy, human rights and sustainable developments areas.

Heather Carmody is an organisation design and implementation specialist with an emphasis on role clarity, accountability, capability and governance arrangements that are aligned with the business vision and strategy.

Mike Waller advises senior management and boards of public and private sector companies and agencies on corporate and business strategy and strategy execution, primarily in the mining, metals and other basic industry sectors.

Mike Hill has more than two decades of experience working closely with the local government sector providing ongoing support, commentary and consulting support in the areas of sustainability, governance, community development and consultation and engagement.

Scott Houston is an economist with extensive in policy, and management consulting experience in sustainable development for mining and metal industries at national and international levels.

Dr. Peter Sandman is the creator of the “Risk = Hazard + Outrage” formula for risk communication. Peter is one of the pre-eminent risk communication speakers and consultants in the United States today, and has also worked extensively in Europe, Australia, and elsewhere.

Dr. Ros Muston specialises in development and delivery of large-scale alternative conflict resolution, community resilience development and multi-stakeholder consultation programs.

Colin Fulton is a corporate affairs professional with a wide ranging and successful background in the areas of Government Relations, Issues and Crisis Management, Reputation Management, Media Relations, Change Management, Public Information programs and Internal Communication.

Sam Osborn advises C-Level and leadership teams on brand management and is dedicated to helping clients develop authentic and sustainable brands.

Piers Gillespie has significant experience as a crisis management expert and risk analysis consultant in the Asia Pacific business environment.

Liz Cohen believes that sustainability and accountability are not 'add-ons' but are an integral part of the strategic make-up of any organisation and that understanding and addressing risks and opportunities relating to sustainability is core to a successful organisation.

Stephen McGrail is an applied futures thinking expert who leads the application of strategic foresight tools to address sustainability issues and enhance strategy development, policy and engagement exercises.

Marcus Barber is a Value Systems specialist & Foresight Practitioner. He has 15 years in sales & marketing development and strategy consulting.

Dr. Gary Saliba specialises in the integration and implementation of processes such as systems thinking (considering issues as a whole rather than just the parts), futures studies (understanding what the future could look like), strategy development, computer simulation modelling and change management.

Professor Marcia Langton is a specialist in Aboriginal land tenure and resource issues with a research and publication track record in native title, land rights and Aboriginal resource rights.

Dr. Susan Feldman specialises in sociology, social research, community development and in particular, culturally and linguistically diverse communities.

Charlie Wolf is a specialist in the field of social impact assessments and has written, edited, lectured, and consulted widely in this area.

Anthony Whitaker is a strategic planner with extensive experience in both the public and private sectors. He has worked in a range of State and Local Government roles; including public health planning, community planning, economic development and urban planning.

Dr. Dennis Paustenbach is a board-certified toxicologist and industrial hygienist with nearly 25 years of experience in risk assessment, environmental engineering, ecotoxicology, and occupational health.

Dr. Dave Collins has 30 years national and international environmental engineering and occupational hygiene experience in Government, university, research at operational and corporate levels in manufacturing, construction and mining.

Professor David Kinley researches, writes, teaches, speaks and advises in the areas of international and domestic human rights law, globalization theory, and the intersection of human rights and the institutions of the global economy (transnational corporations, development agencies, and trade bodies.)

Professor Sarah Joseph is the Director of the Castan Centre for Human Rights Law at Monash University, Melbourne, Australia's leading academic human rights organisation. She is an expert on human rights law.

Graeme Uhd is a research and communication specialist with work experience in a number of Australia's leading companies across a variety of business sectors.

Our Performance in 2009

Futureye has reviewed performance against the targets we set ourselves for this reporting period. We have largely achieved our goals and provided a good base for further improvements in 2010.

- **Green energy:** 20% of our energy usage is now from accredited green power;
- **Driving continuous improvement:** We implemented a green office policy, encouraged staff to contribute their ideas, and adjusted our behaviours to improve our sustainable performance;
- **Community involvement:** After consideration, we adjusted our targets for community involvement and delivered these aims by providing more than \$5,000 of pro bono consulting services to the Australian Conservation Foundation. We believe this delivered even greater community benefit and more staff involvement than our original targets; and
- **Green procurement:** During the year, Futureye actively worked to specify properly accredited and labelled green purchases wherever these were 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.

Our Targets for 2010

Our annual business plan includes targets to continuously improve performance in all aspects of our business. In 2010, Futureye plans to:

- **Improve environmental performance:** To reduce total energy usage and switch to a minimum of 30% accredited green power by the end of the year;
- **Reduce waste:** To introduce policies and processes that facilitate a move to paperless record keeping, communication and reporting;
- **Drive continuous improvement:** Develop better systems to track performance and use these to improve business efficiency in all aspects of operations;
- **Maintain community involvement:** We have again committed to providing \$5000 of pro-bono consultancy during the year to support NGO or volunteer organisations who are working to improve sustainable development performance; and
- **Green procurement:** To look for further opportunity to review our suppliers and purchases to support properly accredited and labelled biodegradable, recyclable and environmentally friendly products.